

REGULATORY
ISSUES

2026173280

TOBACCO REGULATION (4/89)

STATUS

On February 13, 1987, the Federal Trade Commission voted unanimously to close the Cigarette Testing Laboratory. Despite the fact that neither the Senate nor the House Appropriations Committees, both notified in advance, had any objections, the lab closing provoked a flurry of legislation designed to further regulate tobacco.

LEGISLATION

In 1988, Representative Jim Bates (CA) introduced a bill, HR2376, which would give the Consumer Product Safety Commission jurisdiction over tobacco products. Representative Robert Whittaker introduced HR3294, which would give control to the Food and Drug Administration. The provisions of these bills would require disclosure of all additives and constituents, a national minimum age of 18 for purchase of tobacco products, a prohibition of free sampling, and more stringent labeling. Both bills died in committee, although Whittaker's bill was reintroduced in the 101st Congress.

SUMMARY ARGUMENTS

1. **The FTC's Cigarette Testing Laboratory Was Redundant.** In testimony to the House, the FTC said, "the closing of our in-house facilities will not significantly affect our ability to ensure the accuracy of tar and nicotine claims." Moreover, the Tobacco Institute Testing Laboratory methods are recognized to be identical, and the FTC representative is guaranteed unlimited right of access to the TITL facility and all documentation. Finally, since 1977, the FTC has asked numerous agencies (including the CPSC, FDA, BATF, DEA, EPA, OSHA, the Office on Smoking and Health, and the National Cancer Institute) to take over the testing program, and all declined.
2. **Tobacco, Tobacco Products, And Tobacco Use Are Currently Over-Regulated.** From leaf to smoke, tobacco is the most regulated commodity in the United States. USDA and EPA regulate the crops; the Office on Smoking and Health in the Department of Health and Human Services monitors ingredients; the FTC and the FCC monitor cigarette advertising, marketing, and labeling; BATF regulates other aspects of packaging; FAA regulates smoking on airplanes; GSA regulates smoking in government buildings; indoor air quality in other locations is the responsibility of the EPA and OSHA; finally, three special governmental bodies have oversight of tobacco-related matters: the Interagency Committee on Smoking and Health, the Technical Study Group on Cigarettes and Fire Safety, and the Interagency Committee on Indoor Air Quality.

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3. **The Consumer Product Safety Act of 1972 Specifically Excludes Tobacco And Tobacco Products From CPSC Jurisdiction.** The purpose and objectives of the CPSA were clearly and logically defined to meet a specific need to protect the consumer from injury and death resulting from accidents caused by defects, latent dangers, and improper use of certain household products. The CPSA did not intend to include products already covered by existing regulation, clearly excluding tobacco and tobacco products, which are subject to regulation under the Federal Cigarette Labeling and Advertising Act.

2026173282

TOBACCO PRICE SUPPORT PROGRAM (4/89)

STATUS

The Federal Government Tobacco Price Support and Production Control Program currently in effect guarantees farmers a minimum price for their tobacco in return for strict limits on production. All tobacco types are eligible for the program, which is voluntary. Growers of each type of tobacco are given the choice, via referendums every three years, to participate. Most elect to be bound by price support guidelines. The tobacco is taken as collateral by a cooperative owned and operated by growers. The program is designed to ensure the farmer a reasonable return for his considerable investment.

SUMMARY ARGUMENTS

1. **The Money Is Not a Gift.**
It is a government-backed loan, to be paid back just like the government loans for small businessmen, students, and home buyers, and is paid back with interest.
2. **The Government Does Not Pay For Tobacco.**
Since 1982, each participating grower has contributed to a fund held by his cooperative to ensure repayment of loans and interest.
3. **Tobacco Net Loss Is Pennies Compared To Other Supported Crops.**
The Commodity Credit Corporation, the organization that oversees the price support program, shows a \$58 million net loss on tobacco loans over a half century - the result of only two or three bad years - while the corn and wheat price support programs each show over fifty times the loss (\$3 billion) and cotton thirty times the loss (more than \$2 billion).
4. **Without the Support Program, Tobacco Products Would be More Readily Available.**
Critics argue that the program makes tobacco products more readily available. This is not true. The program is intended to, and does, keep domestic tobacco supplies lower than they would be without it.
5. **Without the Program, Many More Acres Would be Devoted to Tobacco.**
Overplanting would bring a larger tobacco supply and lower prices for the farmers, who could lose their land and other capital. Such widespread financial and commercial disruptions would create recessions with national repercussions.
6. **Without the Program, Conditions Would be Worse.**
Michael Perschuk, a former member of the FTC and an anti-smoking zealot said, "Without the program there would be a return to the conditions which spawned the program in the great depression."

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7. **Price Support Programs are an Agricultural and Economic Matter,
Not a Health Issue.**

Surgeon General Koop and federal health officials consider price supports to be an agricultural and economic matter, "not an issue concerning public health. It's hard to see how a subsidy by the government encourages young people to start smoking or keeps people who are smoking continuing."

Source: The Tobacco Institute

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TOBACCO AND INTERNATIONAL TRADE (4/89)

STATUS

On February 18, 1988, a meeting of the Interagency Committee on Smoking and Health discussed the issue of tobacco and the United States trade policy. Although U.S. trade policy jurisdiction rests with Congress and the Administration through the U.S. Trade Representative and with such cabinet departments as State, Treasury, Commerce, and Agriculture, this committee, headed by Surgeon General Koop, met to consider possible ways to decrease American exports of tobacco.

On March 22, 1989, Representative Melvin Levine (D-CA) introduced the Tobacco Export Reform Act, requiring warning labels on all exported cigarette packages in the primary language of the receiving country. The Act would also "prohibit the use abroad of any advertising media unlawful in the U.S." and prevent the Executive Branch from "expanding" foreign tobacco markets.

SUMMARY ARGUMENTS

1. Eliminating Trade Barriers Does Not Increase Cigarette Consumption.

There is no evidence that eliminating a trade barrier against American cigarettes in a foreign country increases smoking in that country. For example, in Japan, the sale of U.S. brands is up sharply, but overall cigarette consumption has declined every year since 1982. In Thailand, overall consumption has risen slightly for the past two years, although American cigarettes are virtually banned. Also, in China, the Soviet Union, and Poland, increased cigarette consumption cannot be attributed to American cigarettes, which are generally not available. If American brands are denied entry, smokers in these countries will not stop smoking. They will simply not smoke American cigarettes, consuming instead local brands or cigarettes made in Germany, the Netherlands, England, or Bulgaria.

2. Exports Of Cigarettes And Leaf Tobacco Maintain Employment And Earnings.

Exports of cigarettes and leaf tobacco maintain employment and earnings nationally and in several states. In 1988, the U.S. Agriculture Department estimated that almost one out of every six cigarettes made in the U.S. went to foreign buyers. Late Secretary of Commerce Malcolm Baldrige said that every billion dollars in exports creates 25,000 American jobs. Therefore in 1988, tobacco exports would have accounted for over 80,000 U.S. jobs. Another favorable by-product of increased American cigarette sales in Japan and Taiwan is that those government monopolies are adding more American-grown tobacco to their cigarettes to compete with American brands.

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3. **U.S. Continues To Obtain Tobacco Trade Surplus.**

The tobacco industry has consistently produced an annual surplus, even when the U.S. national trade deficit reached \$137.3 billion in 1988. Between the years 1980 and 1988, tobacco's trade surplus increased by 91.5%. Also, in 1988, five of the top ten export earners were agricultural products, including tobacco and tobacco manufacturers.

Tobacco Trade Balance Surplus (\$millions)

1980	1981	1982	1983	1984	1985	1986	1987	1988
1867.0	1971.6	1938.0	1887.0	1944.2	2126.8	2011.1	2669.1	3575.1

Since the U.S. trade deficit is concentrated in a few economies of the world, such as Japan, Germany, Hong Kong, and Taiwan, and tobacco trade with these countries generates a positive U.S. balance, tobacco could provide the example that other American industrial sectors should follow if the trade deficit is to be reduced.

4. **Export Restrictions.**

The regulation of cigarette sales should be the province of the country in which they are sold, not the exporting country. If the American government were to place restrictions on U.S. cigarette exports, that would constitute cultural imperialism against foreign nations. The U.S. would not want a foreign government placing speed governors on auto exports because it believed Americans drove too fast. By the same token, the U.S. has no right to interfere in another country's consumption patterns.

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APPENDIX A

2026173287

COMPANIES WITH NO-SMOKING POLICIES

Employers Who Provide Some Smoke-Free Areas at Work:

These states control smoking in government workplaces: Alaska, Arkansas, California, Connecticut, Florida, Hawaii, Iowa, Maine, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, Oregon, Utah, Washington, and Wisconsin.

Bank of America, San Francisco, California and elsewhere; 70,000 employees
Bank One, Columbus, OH
Blue Cross Health Services, Inc., St. Louis, Missouri
Chicago Tribune, Chicago, Illinois
Cincinnati Bell Telephone Co., Cincinnati, Ohio
Combustion Engineering, Stamford and Windsor, CT, 4,200 employees
Continental Illinois Bank & Trust Co., Chicago, Illinois
The Daily News, New York, NY
Dow Chemical
E.I. du Pont de Nemours & Co., Wilmington, Delaware, and elsewhere
Ford Motor Glass Plant, Tulsa, OK
Frederick Electronics, Frederick Maryland, 350 employees
General Electric, General Purpose Control Dept, Mebane, North Carolina
General Motors Corp., Detroit, Michigan, more than 500,000 employees in 151 locations in 26 states
General Motors Corp., Indianapolis, IN, 7,500 employees
Hewlett-Packard, Palo Alto, California, and elsewhere, 30,000 employees
Levi-Strauss, San Francisco, California, and elsewhere, 35,000 employees
Martin Marietta Corp., Bethesda, Maryland, and elsewhere
McGraw-Hill, New York City and elsewhere, 15,000 employees
Mobil Oil Corp., New York, New York
New England Mutual Life Insurance Co., Boston, Massachusetts
New England Telephone Co., Providence, RI 29,000 employees
Ontario Ministry of Health, 13,000 employees
J.C. Penney, Inc., New York, New York
Procter & Gamble
Prudential Insurance Co., Newark, NJ, 83,000 employees
Public Service Electric and Gas, Newark, New Jersey
RAI Research Corp., Long Island, NY
Ralston-Purina Co., St. Louis, Missouri, 50,000 U.S. employees
Rejis Commission, St. Louis, MO
Rexham Corp.
Rockwell International, Rocky Flats Plant, North American Space Operations, Golden, Colorado
Roy M. Huffington Inc., Houston, TX
Sears, Roebuck & Co., New York, New York
Slate Industries, Ashland City (ban in areas where hazardous)
Southwestern Bell Corp., St. Louis, Missouri, as of 1/1/88
Sperry Co., Blue Bell, Pennsylvania; 3,800 employees
The Bankers Life, IA
Travelers Insurance Co., Hartford, Connecticut
Veyerhauser, Tacoma, WA
Whig-Standard Newspaper, Ontario, CA
WSMV, Nashville, TN
Xerox Corp., Stamford, Connecticut
Zale Corp., Dallas, Texas, 17,000 employees

2026173288

Employers Who Provide More Extensive Smoke-Free Areas, Including Work Stations:

Aetna Life & Casualty Co., Hartford, Connecticut; 40,000 employees
AT&T
Avco Aerostructures Textron (smoking banned for fire prevention)
Bancroft & Whitney Co., San Francisco, California; 220 employees
Baptist Hospital (patients allowed to smoke in rooms, employees may smoke only in designated areas)
Bethlehem Steel Corp. Bethlehem, PA; 1,600 employees
British Columbia Ministry of Health, Victoria, Canada; 65,000 employees
British Columbia Telephone Co.
Brooklyn, New York District Attorney; 700 employees
Catholic Health Association, St. Louis, MO
CIGNA Insurance, Bloomfield, Pennsylvania; 12,000 employees
Cincinnati Bell Telephone Co.
Citizen, Northshore, Washington
Control Data Corp., Minneapolis, Minnesota and elsewhere; 55,000 employees in the U.S.
Daily News, Longview, Washington
General Electric, Bridgeport and Fairfield, CT
Harvard University, Cambridge, Massachusetts
Health & Welfare Canada; 10,000 employees
Health Insurance Association of America, Washington, D.C., New York City and Chicago
Hollis Automation Inc., Nashua, NH
Honeywell, Inc., Minneapolis-St. Paul, Minnesota
IBM; 200,000 employees
Immuno Nuclear Corp., Stillwater, Minnesota
KAKE-TV, Wichita, Kansas
Kansas Dept. of Health and Environment
Lawrence-Berkeley Laboratories, Berkeley, California; 2,600 employees
Lee Tire & Rubber Co., Valley Forge, Pennsylvania; 200 employees
Lord & Taylor, New York, NY (smoking banned in 5th Avenue executive offices)
Los Angeles Airport air traffic controllers; work area
Manville Corporation
Marion County Health Dept., Indianapolis, Indiana; 550 employees
Massachusetts Dept. of Public Welfare, Attleboro office
Merck & Co.
Michigan Dept. of State; 2,500 employees in 180 offices
Midland Brake Inc., Iola, Kansas; 500 employees
Mountain Bell, Lakewood, CO (banned on some floors)
New Jersey Bell; 20,000 employees
New Jersey State Department of Health; 1,300 employees
New Milford Hospital, New Milford, CT; 450 employees.
Opryland USA
Pacific Mutual Life Insurance Co., Newport Beach, California; 1,200 employees
Pacific Telesis Group, California and Nevada; 76,400 employees
Perkin-Elmer Corporation, Norwalk, Connecticut headquarters; 10,000 employees
Pima County, Arizona (Tucson); 4,000 employees
Pitney Bowes, Fairfield County, CT; 7,000 employees
Pratt & Whitney Aircraft, Government Products Division, Palm Beach, Florida; 7,000 employees (Hartford, Connecticut headquarters extended the rules to three divisions affecting more than 40,000 employees)

2026173289

Employers Who Provide More Extensive Smoke-Free Areas, Including Work Stations (cont.):

Ramsey County Welfare Dept., St. Paul, Minnesota
RFL Industries, Inc., Boonton Township, New Jersey; 300 employees
W.W. Richardson Insurance Agency, Inc., Warren, Rhode Island
Safeco Insurance, Seattle, Washington; 7,000 employees
St. Thomas Hospital (visitor smoking only in designated areas of waiting rooms and cafeteria, patients allowed to smoke in rooms only with physician's permission. Hospital departments set own policy. Employee lounges on alternating floors are designated smoking or nonsmoking)
Tallahassee Democrat, Tallahassee, Florida (smoking ban in newsroom)
Television Bureau of Advertising, New York, New York
The Tennessean (smokers segregated from nonsmokers; right of nonsmoker prevails where segregation is not possible. Smokeless ashtrays provided in newsroom. No smoking in public areas; nonsmoking area in cafeteria)
Tennessee State Government (Dept. of Health and Environment, Dept. of Health and Human Services, Dept. of Commerce and Insurance)
U.S. Government, Department of Health & Human Services, Tennessee Valley Authority
United Technologies Corporation, CT (including 4 Pratt & Whitney divisions); 600 corporate workers
University of Arizona, Tucson, Arizona
Vanderbilt University and Medical Center (no official smoking ban at the university, but hospital has designated smoking areas)
Wall Street Journal, New York, New York
Wells Fargo Bank, California
Wichita, Kansas Fire Department; 400 employees

also companies that use Live for Life health program, including Johnson & Johnson, New Brunswick, New Jersey

Smoke-Free Companies, Except for Certain Lounges, Cafeteria Areas:

Adrian Construction Co., Inc., Dallas, Texas; 20 employees in office
Amway Corp., Grand Rapids, MI
Bass Shoe Co., ME
Bata Shoes, Don Mills, Ontario, 200 employees
Becton Dickinson and Co., Paramus, New Jersey; 600 employees (smoke-free except for some private offices. This policy is recommended for other U.S. and foreign sites 19,000 employees.)
Blue Cross and Blue Shield of Minnesota, St. Paul, Minnesota; 1,600 employees
Blue Cross and Blue Shield; New Jersey
The Boeing Co., Seattle, Washington and Wichita, Kansas; 83,000 employees
Bonnie Bell Cosmetics Co., Lakewood, Ohio; 250 employees
Campbell Soup Co., Camden, New Jersey (total smoking ban since 1969)
Central Telephone Company-Nevada, Las Vegas, Nevada; 2,000 employees
Chesapeake and Potomac Telephone Co., (10,500 employees)

2026173290

Smoke-Free Companies, Except for Certain Lounges, and Cafeteria Areas:

City Federal Savings and Loan Association, Piscataway, New Jersey, and elsewhere; 5,000 U.S. employees (smoking allowed in private offices)
C&P Telephone
C&T Telephone, Washington, D.C.
Connecticut Mutual Life Insurance Co., Hartford, Connecticut; 2,100 employees
Continental Heritage Press, Tulsa, Oklahoma; 12 employees
Continental Incorporated, Seattle, Washington; 130 employees
Adolph Coors Company, Golden, Colorado; 10,000 employees
Datascope Corp., Paramus, New Jersey; 700 employees (smoking allowed in private offices)
Deluxe Check Printers, St. Paul, Minnesota and 65 other locations in 35 states; 11,000 employees
Department of Health & Human Services, Region X Office, Seattle, Washington
Department of Human Resources, Charleston, W.VA
Duke Power Company, Charlotte, NC
Ellis Fischel State Cancer Center, Columbia, MD
Emporia Gazette, Lawrence KS
Falcon Safety Products, Mountainside, New Jersey
Family Life Insurance, Seattle, Washington
Federal Cartridge Corp., Anoka, Minnesota; 2,000 employees
Federal Government
Federal Home Loan Bank, IA
Ford Motor Company
Foremost Corporation of America, Grand Rapids, MI
Fusion Systems Corp., Rockville, Maryland (Smoking is allowed only in one or two enclosed, fully ventilated smoking rooms in each building.)
Grandview Hospital, Lansdale, PA
Group Health, Inc., Minneapolis, Minnesota; 2,000 employees
Guaranty Bank & Trust Co., MA
Johns-Manville, Denver, CO, (in effect approx. 1 year)
Journal Sentinel Inc., Milwaukee, WI, (sponsors cessation classes in effect 1/4/88)
Juneau-Douglas Telephone Co., Juneau, Alaska; 75 employees
Kentrox Industries, Portland, Oregon
Kessler-Ellis Products, Atlantic Highlands, New Jersey; 85 employees
Kraft Inc.; all Headquarters and Technology Center locations, (2/1/88 company sponsoring smoking cessation classes)
Kroger (in offices, company has supplied smokeless ash trays; in stores, employees may smoke only in designated break rooms)
Lee Company, Salina, Kansas
Levi Strauss and Co.
Love Box Co., Wichita, Kansas and elsewhere; 700 employees
Lowenstein Supply Corp., Vineland, New Jersey; 25 employees
Lutheran Brotherhood, Minneapolis, Minnesota; 800 employees
Medtronic Inc., Minneapolis, Minnesota; 3,000 employees
Merle Norman Cosmetic Co., Los Angeles, California; 1,300 employees
Metro Government (Board of Health policy bans smoking in clinic waiting areas)
Middletown, New Jersey Police Department
The Milwaukee Journal, Milwaukee, WI, (sponsors cessation classes in effect 1/4/88)

2026173291

Smoke-Free Companies, Except for Certain Lounges, Cafeteria Areas (cont.):

MSI Insurance Co., Arden Hills, Minnesota; 800 employees
New Brunswick Scientific Co., Inc., Edison, New Jersey; 400 employees
(smoking cessation classes)
New England Deaconess Hospital, Boston, Massachusetts
Nissan Motor Manufacturing Corp. U.S.A., Carson, CA
Northwestern National Life Insurance, Minneapolis, Minnesota; 2,000
employees
Perkin-Elmer Corp., Physical Electronics Division, Eden Prairie, Minnesota
400 employees
Premier Dental Products Co., Norristown, Pennsylvania; 65 employees
Prentice Hall, Englewood Cliffs, NJ; 3,500 employees
Press Herald and Evening Express, Portland, Maine
Project Hope Millwood, Virginia; 100 employees
Quadram Corp., Atlanta, GA (no smoking in executive suites; smoking
limited to a designated lounge)
Quakertown Free Press, Quakertown, Pennsylvania; 75 employees
Quill Corporation, Lincolnshire, Illinois; 700 employees
Raven Industries; Sioux Falls, South Dakota; 900 employees
Record, Meriden, Connecticut
Riviera Motors Portland, Oregon; 650 employees
Service Merchandise Co., Nashville, TN
Shoney's Inc., Nashville, TN, (employees may smoke only in break room,
no-smoking areas for customers)
South Central Bell Telephone Co., Birmingham, AL
Stanley Works World Headquarters, New Britain, Connecticut; 200 employees
Stride-Rite Shoe Co. Cambridge, Massachusetts
Office of the Surgeon General and Office of International Health, U.S.
Dept. of Health and Human Services, Rockville, Maryland
Texas Instruments, Dallas, TX, throughout U.S. (since 12/31/86)
Tip Top Printing Co. Daytona Beach, Florida; 40 employees
Unigard Insurance Group, Seattle, Washington; 1,600 employees
U.S. Post Office, Tallahassee, Florida
Verx Corp., Madison, WI, (As of March 1, 1988 only in smoking lounge)
Washington Federal Savings and Loan Corp., Seattle, Washington; 200
employees
WCAL/WCAL-FM, Northfield, Minnesota
Westlake Hospital, Melrose Park, Illinois; 1,200 employees

Entirely Smoke-Free Workplaces:

The Aerobics Activity Center, Dallas, Texas; 300 employees (effective
since opening in 1972)
Advanced Micro Devices Inc., Austin, Texas; 2,200 employees (effective
Jan. 2, 1989, encourages smoke cessation classes)
Aid Association for Lutherans, Appleton, Wisconsin (effective 5/87)
Allentown Health Bureau, Allentown, Pennsylvania (since 1985)
Allstate Insurance Co., 5,8000 buildings and agent offices nationwide,
(8/1/88)
American Heart Association National Center, Dallas, Texas (no smoking
allowed anywhere on property)
American Lung Association, New York, New York and affiliates nationwide

2026173292

Entirely Smoke-Free Workplaces (cont.):

Anderson's China Shop, Minneapolis, Minnesota (effective since 1982)
Austad Co., Sioux Falls, South Dakota, 180 employees (effective since 1963)
Benchmark Graphics, Plymouth, Minnesota (effective approx. 1980)
Joan Eastman Bennett Property Designs, Summit, New Jersey; 25 employees
Benton, Arkansas, schools ban all tobacco use on school property
Bethel College Seminary, St. Paul, Minnesota (unwritten policy)
Blue Cross and Blue Shield Topeka, Kansas and 15 other Kansas cities; 1,260 employees (effective 1/1/87)
Blue Earth Hospital, MN (Employees may not smoke at all)
Blue Shield, Camp Hill, PA (no smoking anywhere on complex; 1/4/88)
Boyd Coffee Co., Portland, Oregon; 250 employees (in effect since approx. 1979)
British Columbia Hydro and Power Authority, Vancouver, Canada (12/1/86)
Ceder Hill Landscaping, Somerset, New Jersey (approx. since 1972)
Center for Science in the Public Interest, Washington, D.C. (since 1971)
Chapel View Care Center, Hopkins, Minnesota (since approx. 1984)
Charlotte Presbyterian Hospital; smoking not allowed by staff patient's or visitors, only exception: patients in private rooms with doctors consent (effective 11/17/88)
CIGNA Health Plan of Arizona, Phoenix, Arizona, 1,800 employees (at least since 1985)
The Cleveland Clinic Foundation, Cleveland, Ohio, (effective Jan. 1, 1989)
Cognex Corp., Needham, MA (35 employees)
The Commercial Appeal, Memphis, TN; 200 employees, (2/1/88)
Dallas-Fort Worth International Airport, Air Traffic Controllers (Radar Room)
Enron Corp. smoking banned in its downtown office (approx. 10/27/89)
Federal Express
General Health, Inc., Washington, D.C., 50 employees (since approx. 1972-beginning of business)
Goodyear (runs and promotes smoking cessation clinics)
Gold Bond Building Products, Charlotte, NC (encourages cessation; effective since 9/1/87)
Billy Graham Associates, Minneapolis, Minnesota; 300 employees (since approx. 1957 beginning of company)
Group Health Cooperative, Seattle, Washington; 6,000 employees (in effect since April, 1985)
Grumman, Suffolk, NY (in effect since approx. 1986)
Hamburger Hamlet, Washington, D.C. (first restaurant in D.C.)(since 1982)
Harpoon Realty, Sag Harbor, New York (in effect since approx. 1980)
Hinsdale Hospital, Hinsdale, Illinois; 2,200 employees (since approx. 1982)
Holden, Massachusetts, Police Department (since approx. 1985)
Holiday Corporation
Hospital Corporation of America (ban in all corporate Headquarters)
Indian Health Service, 47 hospitals and 300 clinics in 25 states
Independent Press, New Providence, New Jersey
Janesville, Wisconsin, Fire Department (since approx. 1985)
Journal, Salina, Kansas; 110 employees (since approx. 1984)
Kansas Gas & Electric Co., Wichita, Kansas, and elsewhere; 2,200 employees (effective 1/88)
LA Airport (no smoking for all air traffic controllers)
Lincoln National Corp., Fort Wayne, Indiana; 3,000 employees (since 4/85)
Lyle Stuart, Inc., Seacaucus, New Jersey; 40 employees (since approx. 1974)
Microwave Filter Co.; East Syracuse, New York; 120 employees (fires anyone who gets caught since 9/85)
Missouri Social Services Dept., Health Dept.; 7,600 employees (effective January 1988 in all offices)

2026173293

Entirely Smoke-Free Workplaces (cont.):

Moselle Insurance Inc., Los Angeles, California (in effect more than 3 years)
 MPD Printing Summit, New Jersey; 20 employees (in effect since beginning
 approx. 1976)
 New England Memorial Hospital Stoneham, Massachusetts 1,400 employees
 (since approx. 1986)
 New Jersey Group Against Smoking Pollution, Summit, New Jersey
Newport Daily News, Newport, Rhode Island; 60 employees (since approx. 1984)
 Non-Smokers Inn, Dallas, Texas; 1st hotel w/ nonsmoking rooms (since 1973)
 Northwestern Bell Telephone Co., Omaha, Nebraska; 12,000 employees in Iowa,
 Minnesota, Nebraska, North and South Dakota (effective 1/1/87)
 Nutrition World, Edina, Minnesota (since opening)
 Oracle Corp., Bethesda, Maryland; 30 employees
 Oregon Health Sciences University, Portland, OR
 The Other Cafe (Comedy Club), San Francisco, CA (2/1/88)
 Pacific Northwest Bell, Washington, Oregon, Idaho; 15,000 employees
 Palm Harbor Homes, Inc., Austin, TX (May 3, 1988)
 Park Nicollet Medical Center, Minneapolis, Minnesota; 1,900 employees
 (since 1/1/86)
 Prince George's County, MD; County Administration Building, Largo
 Government Services Building, and all health department offices
 and treatment sites (2/14/88)
 Provident Indemnity Life Insurance Co., Norristown, Pennsylvania; 100
 employees (no smoking allowed anywhere on property since 1982)
 Quin-T Corp., Tilton, New Hampshire; 65 employees
 Radar Electric Co., Seattle and Spokane, Washington, and Portland, Oregon
 (since beginning 1962)
 The Respiratory Health Association, Paramus, New Jersey (since beginning
 in 1969)
 Rodale Press, Emmaus, Pennsylvania; 850 employees (since approx. 1982)
 Rogue Valley Medical Center, Medford, OR
 Rustoleum Corp., Vernon Hills and Evanston, Illinois, and Hagerstown,
 Maryland; 1985
 Salina Family Physicians, Salina, Kansas (since 1977)
Salina Journal, Salina, KS (prohibits smoking by all 104 employees; 80% are
 smokers); (since approx. 1983)
 Satellite Syndicated Systems, Inc., Tulsa, Oklahoma, and elsewhere in U.S.A.
 200 employees (since approx. 1985)
 Slack, Inc., Thorofare, New Jersey; 180 employees (since approx. 1985)
 Smarte Carte, Inc., White Bear Lake, Minnesota; 50 employees (no smoking in
 building or on grounds); (since 1986)
 Spenco Medical Corp., Waco, Texas; 400 employees (since 1974)
 St. Cloud Hospital, St. Cloud, MN, (smoking cessation classes), 11/87
 Sullivan, Higdon & Sink, Wichita, Kansas; 50 employees (since 1971)
 Surrogate Hostess, Seattle, Washington; 40 employees (no smoking
 by employees and customers); (since 1974)
 Swing Insurance Agency, Woodbury, New Jersey; 12 employees (at least 1986)
The Ann Arbor News, Ann Arbor, MI (total ban of 200 employees); (since 9/86)
Town Crier, Sudbury, Massachusetts; 40 employees (not official, just
 understood)
 Union Mutual Health Insurance Co., Portland, Maine; 3,700 employees
 United Guardian Corp., Long Island, NY (since approx. 1985)
 University of Minnesota, Division of Epidemiology, Minneapolis, Minnesota;
 500 employees (since 1986)
 U.S. Health Care, Blue Bell, Pennsylvania; 800 employees (at least since
 1985)

2026173294

Entirely Smoke-Free Workplaces (cont.):

US West, Albuquerque, New Mexico (since 1989)
US West Communications Inc., CO, MT, ID, WY, UT, NM, and AZ; (since 1989)
Vanguard Electronic Tool Co., Seattle, Washington; 100 employees
Veterans Administration, Pennsylvania; San Diego, CA; both patient and employee smoking will be banned in all outpatient clinics and all acute-care sections (effective approx. mid 1989)
Walter Reade Theaters, New York, NY (total ban)
WRNJ, Hackettstown, New Jersey; 20 employees (since 1977)
Yale-New Haven Hospital/Hospital of St. Raphael; 8,000 employees (since 1977)
Zycad, Inc., Arden Hills, Minnesota; 230 employees (since 1985)
Zytec Corp., Eden Prairie, Minnesota; 100 employees (since 1985)

Employers Who Hire Only Nonsmokers:

Adrian Construction Co., Inc., Dallas, Texas (preference to nonsmokers)
Alexandria, Virginia, Fire Department; 180 employees (recently extended to police and sheriffs)
Anderson's China Shop; Minneapolis, Minnesota
Arlington County, Virginia; fire-fighters and police
Austad Co., Sioux Falls, South Dakota; 180 employees
Bancroft Fire Protection District (will not hire smokers)
Joan Eastman Bennett Property Designs, Summit, New Jersey
Black Hills Hospital, Olympia, Washington
Blue Cross and Blue Shield, Charleston, West Virginia; 760 employees (current employees who smoke 2 won't be required to quit)
Cardinal Industries, Inc., Sanford, FL
Center for Science in the Public Interest, Washington, D.C.
Dean Equipment and Furniture Co., Inc., Fairfield, New Jersey
Fairfax County, Virginia, firefighters and police
Fortunoff, New York, New York
Wayne Green Enterprises, Peterborough, New Hampshire
Hinsdale Hospital, Hinsdale, Illinois; 2,200 employees (preference to nonsmokers)
Holden, Massachusetts, Police Department
Independent Press, New Providence, New Jersey
Janesville, Wisconsin Fire Department
Johns-Manville, Denver, Colorado, and Manville, New Jersey; 8,000 employees
Manteca, California, Police Department and Fire Department
Midwest City, Oklahoma, Fire Department
MSI Insurance Co., Arden Hills, Minnesota; 800 employees
New Brunswick Scientific Co., Inc., Edison, New Jersey; 400 employees
New Jersey Group Against Smoking Pollution; Summit, New Jersey
Non-Smokers Inn, Dallas, Texas
Norman, Oklahoma, Fire Department
Northern Life Insurance Co., Seattle, Washington; 200 employees
Oklahoma City, Oklahoma, Fire Department
Park Nicollet Medical Center, Minneapolis, Minnesota; 1,150 employees (preference to nonsmokers)
Pro-Tec, Bellevue, Washington
Quin-T Corp., Tilton, New Hampshire; 65 employees
Radar Electric, Seattle and Spokane, Washington, and Portland, Oregon
The Respiratory Health Association, Paramus, New Jersey
Riviera Motors, Portland, Oregon; 650 employees
Salem, Oregon Fire Department
Shaker Heights, Ohio, Fire Department; 70 employees
Spenco Medical Corp., Waco, Texas; 400 employees

2026173295

Employers Who Hire Only Nonsmokers (cont.):

Sullivan, Higdon & Sink, Wichita, Kansas; 50 employees
Swing Insurance Agency, Woodbury, New Jersey; 12 employees
Turner Broadcasting System
USG Corporation, Chicago and all plants (total ban at work and at home, effective 1/12/87)
Vanguard Electronic Tool Co., Seattle, Washington; 100 employees
Westlake Community Hospital, Melrose Park, Illinois; 1,200 employees
Westminster Office Machines Inc., Lake Bluff, Illinois
Wichita, Kansas, Fire Department, 400 employees

Employers Who Provide Bonuses for Nonsmokers or for Smokers Who Quit:

Aluminair Standard Glass Co., Gallup, New Mexico
American Hoechst Specialty Products Group, Somerville, New Jersey
Bonnie Bell Cosmetics Co., Lakewood, Ohio; 250 employees
Chicago Metallic Products, Inc. 750 employees \$500 per quitter per year)
City Federal Savings & Loan; Birmingham, Alabama; 300 employees
Cleveland Pneumatic, Cleveland, Ohio
Cybertek Computer Products, Inc., Los Angeles, California; 150 employees
F.W. Dahl Co., Inc., Bristol, Rhode Island
Deluxe Check Printers, Inc., Clifton, New Jersey; 300 employees
Dollar Inn Albuquerque, New Mexico
Dow Chemical Co., Texas Division, Freeport, Texas
Dyco Petroleum, Minneapolis, Minnesota, and Tulsa, Oklahoma; 200 employees
Ebsco Industries, Red Bank, New Jersey
Flexcon Co., Spencer, Massachusetts; 500 employees (\$30/mth to quitters, \$15/mth to those who reduce consumption)
General Services Life Insurance Co.; gives smokers nonsmokers's rates, if smokers promise they'll quit within 3 years (since 11/88)
Hartford Insurance Group, Hartford, Connecticut
Intermatic, Inc., Spring Grove, Illinois
J.N. Mills Co. Inc., Southwest Harbor, ME, (\$500 to employees who quit for a year)
Johnson & Johnson; New Brunswick, New Jersey
Journal, Salina, Kansas; 110 employees
Knight Publishing. (Charlotte News, The Observer) (encourages employees to quit)
Leslie Manufacturing & Supply Co., Minneapolis, Minnesota
Lowenstein Supply Corp., Vineland, New Jersey; 25 employees
Mahoning Culvert Co., Canfield, Ohio; 36 employees
Major Pool Equipment Co., Clifton, New Jersey
Martin Engineering, Neponset, IL (current employees receive \$1,000 for quitting; new hires must sign no-smoking pledge)
Merle Norman Cosmetic Co., Los Angeles, California; 1,300 employees
Mesa Petroleum, Amarillo, TX (cessation bonus)
Microwave Filter Co., East Syracuse, New York; 120 employees
SI Insurance, Arden Hills, Minnesota; 800 employees
Seon Electric Corp., Houston, Texas
New York Telephone (smoking cessation classes, 80,000 employees)
Spaweco, Spokane, Washington

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Employers Who Provide Bonuses for Nonsmokers or for Smokers Who Quit (cont.)

Park Nicollet Medical Center, Minneapolis, Minnesota; 1,150 employees
Perkin-Elmer Corporation, Physical Electronics Division, Eden Prairie,
Minnesota; 400 employees
Pioneer Plastics, Auburn, Maine
Provident Indemnity Life Insurance Co., Norristown, Pennsylvania; 100
employees
Radar Electric, Seattle and Spokane, Washington, and Portland, Oregon
Rhulen Agency, Monticello, New York
Rodale Press, Emmaus, Pennsylvania; 350 employees
Salina Family Physicians, Salina, Kansas (dental insurance for nonsmoking
employees only)
Sentry Insurance Co., Stevens Point, Wisconsin; 10,000 employees
Slack, Inc., Thorofare, New Jersey; 180 employees
Speedcall Corp., Hayward, California
Tenneco (cessation program)
Westminster Office Machines, Lake Bluff, Illinois

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Alaska (State Excise Tax Rate is 16 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 900 jobs in the state. An additional 1,800 jobs are generated by consumer expenditures on tobacco products. Thus 2,700 jobs in the state are tobacco-related.

Over 101,000 people smoke in the state. They already pay almost \$18 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$9 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.4 mil packs	19
.05	.9 mil packs	43
.10	1.8 mil packs	86

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Alaska state cigarette taxes have increased 100%.

At current rate, 25.5% of the total price of a pack of cigarettes in Alaska is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Alaska (State Excise Tax Rate is 16 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 900 jobs in the state. An additional 1,800 jobs are generated by consumer expenditures on tobacco products. Thus 2,700 jobs in the state are tobacco-related.

Over 101,000 people smoke in the state. They already pay almost \$18 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$9 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.4 mil packs	19
.05	.9 mil packs	43
.10	1.8 mil packs	86

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Alaska state cigarette taxes have increased 100%.

At current rate, 25.5% of the total price of a pack of cigarettes in Alaska is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Arizona (State Excise Tax Rate is 15 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 5,200 jobs in the state. An additional 12,000 jobs are generated by consumer expenditures on tobacco products. Thus 17,200 jobs in the state are tobacco-related.

Over 659,000 people smoke in the state. They already pay \$109 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$52.8 million.

Arizona collects \$24.6 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	2.3 mil packs	113
.05	5.8 mil packs	284
.10	11.7 mil packs	574

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Arizona state cigarette taxes have increased 15.4%.

At current rates, 31.5% of the total price of a pack of cigarettes in Arizona is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Arkansas (State Excise Tax Rate is 21 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 3,700 jobs in the state. An additional 9,700 jobs are generated by consumer expenditures on tobacco products. Thus 13,400 jobs in the state are tobacco-related.

Over 509,000 people smoke in the state. They already pay \$108.9 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$61.8 million.

Arkansas collects \$14.7 million in sales tax revenues from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	2 mil packs	91
.05	4.9 mil packs	223
.10	9.8 mil packs	445

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Arkansas state cigarette taxes have increased 18.3%.

At current rates, 33.6% of the total price of a pack of cigarettes in Arkansas is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

California (State Excise Tax Rate is 35 cents per pack,
effective 1/1/89)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 49,700 jobs in the state. An additional 85,200 jobs are generated by consumer expenditures on tobacco products. Thus 134,900 jobs in the state are tobacco-related.

Over 5,668,000 people smoke in the state. They already pay \$654 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$251 million.

California collects \$201.3 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.10	91.4 mil packs	4862
.15	137.2 mil packs	7295
.25	228.6 mil packs	12159

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal excise tax was doubled in January, 1983, California cigarette taxes have increased 250%.*

Since 1983, sales in California have declined by an average of 1.5% annually.

At current rates, 39.2% of the total price of a pack of cigarettes in California is tax.*

*figure reflects a 25 cent increase which took effect 1/1/89.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Colorado (State Excise Tax Rate is 20 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 6,900 jobs in the state. An additional 15,300 jobs are generated by consumer expenditures on tobacco products. Thus 22,200 jobs in the state are tobacco-related.

Over 697,000 people smoke in the state. They already pay \$113.9 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$63.3 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.05	5.5 mil packs	387
.10	10.9 mil packs	768
.20	21.8 mil packs	1535

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Colorado state cigarette taxes have increased 100%.

Since 1983, sales in Colorado have declined by an average of 3.4% annually.

At current rates, 31% of the total price of a pack of cigarettes in Colorado is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Connecticut (State Excise Tax Rate is 40 cents per pack,
effective 4/1/89)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 13,300 jobs in the state. An additional 16,800 jobs are generated by consumer expenditures on tobacco products. Thus 30,100 jobs in the state are tobacco-related.

Over 722,000 people smoke in the state. They already pay \$142.7 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$88.3 million.

Connecticut collects \$37.4 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	2.1 mil packs	186
.05	5.2 mil packs	460
.10	10.5 mil packs	929

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Connecticut state cigarette taxes have increased 90.4%.*

Since 1983, sales in Connecticut have declined by an average of 1.1% annually.

At current rates, 43.3% of the total price of a pack of cigarettes in Connecticut is tax.*

*figure reflects a 14 cent increase which took effect 4/1/89.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Delaware (State Excise Tax Rate is 14 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 1,300 jobs in the state. An additional 4,700 jobs are generated by consumer expenditures on tobacco products. Thus 6,000 jobs in the state are tobacco-related.

Over 137,000 people smoke in the state. They already pay \$26.4 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$12.5 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.6 mil packs	41
.05	1.5 mil packs	102
.10	3 mil packs	204

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

At current rates, 25.1% of the total price of a pack of cigarettes in Delaware is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173306

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Washington, D.C. (Excise Tax Rate is 17 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 1,900 jobs in the district. An additional 2,200 jobs are generated by consumer expenditures on tobacco products. Thus 4,100 jobs in the district are tobacco-related.

Over 146,000 people smoke in the district. They already pay \$21.7 million in extra local and federal taxes because they smoke. Of this amount, the district gets almost \$11 million.

Washington, D.C. collects \$5.3 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.4 mil packs	25
.05	1.1 mil packs	63
.10	2.2 mil packs	138

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Washington, D.C. cigarette taxes have increased 30.7%.

Since 1983, sales in Washington, D.C. have declined by an average of 3.3% annually.

At current rates, 32.3% of the total price of a pack of cigarettes in Washington, D.C. is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Florida (State Excise Tax Rate is 24 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 25,500 jobs in the state. An additional 67,100 jobs are generated by consumer expenditures on tobacco products. Thus 92,600 jobs in the state are tobacco-related.

Over 2,540,000 people smoke in the state. They already pay \$581 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$350.2 million.

Florida collects \$116.2 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.01	4.6 mil packs	291
.02	9.2 mil packs	582
.05	23 mil packs	1456

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Florida state cigarette taxes have increased 14.28%.

At current rates, 34.7% of the total price of a pack of cigarettes in Florida is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Georgia (State Excise Tax Rate is 12 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 22,900 jobs in the state. An additional 35,700 jobs are generated by consumer expenditures on tobacco products. Thus 58,600 jobs in the state are tobacco-related.

Over 1,262,000 people smoke in the state. They already pay \$218.8 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$92 million.

Georgia collects \$31.3 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	5.6 mil packs	421
.05	14.1 mil packs	1060
.10	28.2 mil packs	2120

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

At current rates, 28.3% of the total price of a pack of cigarettes in Georgia is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Hawaii (State Excise Tax Rate is 40%)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 2,100 jobs in the state. An additional 2,200 jobs are generated by consumer expenditures on tobacco products. Thus 4,300 jobs in the state are tobacco-related.

Over 226,000 people smoke in the state. They already pay \$30.9 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$19 million.

Hawaii collects \$3.6 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.4 mil packs	29
.05	.9 mil packs	64
.10	1.8 mil packs	128

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Hawaii state cigarette taxes have increased 57%.

Since 1983, sales in Hawaii have declined by an average of 4.8% annually.

At current rates, 40.8% of the total price of a pack of cigarettes in Hawaii is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Idaho (State Excise Tax Rate is 18 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 1,700 jobs in the state. An additional 4,600 jobs are generated by consumer expenditures on tobacco products. Thus 6,300 jobs in the state are tobacco-related.

Over 204,000 people smoke in the state. They already pay \$29.7 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$15.8 million.

Idaho collects \$6.1 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.6 mil packs	43
.05	1.5 mil packs	108
.10	3.1 mil packs	223

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Idaho state cigarette taxes have increased 97.8%.

Since 1983, sales in Idaho have declined at an average of 3.7% annually.

At current rates, 31.8% of the total price of a pack of cigarettes in Idaho is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Illinois (State Excise Tax Rate is 20 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 30,500 jobs in the state. An additional 75,800 jobs are generated by consumer expenditures on tobacco products. Thus 106,300 jobs in the state are tobacco-related.

Over 2,526,000 people smoke in the state. They already pay \$451.5 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$250.8 million.

Illinois collects \$100.3 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	8.1 mil packs	686
.05	20.4 mil packs	1729
.10	40.7 mil packs	3449

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Illinois state cigarette taxes have increased 66.7%.

Since 1983, sales in Illinois have declined by an average of 2.9% annually.

At current rates, 33.3% of the total price of a pack of cigarettes in Illinois is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Indiana (State Excise Tax Rate is 15.5 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 11,000 jobs in the state. An additional 33,200 jobs are generated by consumer expenditures on tobacco products. Thus 44,200 jobs in the state are tobacco-related.

Over 1,196,000 people smoke in the state. They already pay \$235 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$116 million.

Indiana collects \$44.8 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	5.7 mil packs	331
.05	14.2 mil packs	826
.10	28.4 mil packs	1651

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

At current rates, 32.5% of the total price of a pack of cigarettes in Indiana is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Iowa (State Excise Tax Rate is 34 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 5,900 jobs in the state. An additional 15,700 jobs are generated by consumer expenditures on tobacco products. Thus 21,600 jobs in the state are tobacco-related.

Over 638,000 people smoke in the state. They already pay \$127.5 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$81.6 million.

Iowa collects \$17.2 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	2 mil packs	138
.05	5 mil packs	345
.10	10.1 mil packs	697

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Iowa state cigarette taxes have increased 88.9%.

At current rates, 43% of the total price of a pack of cigarettes in Iowa is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Kansas (State Excise Tax Rate is 24 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 4,900 jobs in the state. An additional 14,100 jobs are generated by consumer expenditures on tobacco products. Thus 19,000 jobs in the state are tobacco-related.

Over 536,000 people smoke in the state. They already pay \$103 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$61.8 million.

Kansas collects \$12.9 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	1.7 mil packs	125
.05	4.2 mil packs	309
.10	8.5 mil packs	625

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Kansas state cigarette taxes have increased 118%.

Since 1983, sales in Kansas have declined by an average of 3.2% annually.

At current rates, 34.9% of the total price of a pack of cigarettes in Kansas is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Kentucky (State Excise Tax Rate is 3 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 59,400 jobs in the state. An additional 74,100 jobs are generated by consumer expenditures on tobacco products. Thus 133,500 jobs in the state are tobacco-related.

Over 808,000 people smoke in the state. They already pay \$124 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$19.6 million.

Kentucky collects \$32.7 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	5.4 mil packs	1102
.05	13.4 mil packs	2735
.10	26.8 mil packs	5469

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Kentucky have declined by an average of 2.3% annually.

At current rates, 24% of the total price of a pack of cigarettes in Kentucky is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Louisiana (State Excise Tax Rate is 16 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 8,600 jobs in the state. An additional 15,100 jobs are generated by consumer expenditures on tobacco products. Thus 23,700 jobs in the state are tobacco-related.

Over 932,000 people smoke in the state. They already pay \$160 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$79.8 million.

Louisiana collects \$25.1 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	3.2 mil packs	154
.05	7.9 mil packs	380
.10	15.8 mil packs	760

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Louisiana state cigarette taxes have increased 45%.

Since 1984, sales in Louisiana have declined by an average of 3.6% annually.

At current rates, 29.5% of the total price of a pack of cigarettes in Louisiana is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Maine (State Excise Tax Rate is 28 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 2,200 jobs in the state. An additional 5,100 jobs are generated by consumer expenditures on tobacco products. Thus 7,300 jobs in the state are tobacco-related.

Over 255,000 people smoke in the state. They already pay \$65.4 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$41.6 million.

Maine collects \$10.4 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.9 mil packs	44
.05	2.3 mil packs	113
.10	4.6 mil packs	225

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Maine state cigarette taxes have increased 75%.

Since 1984, sales in Maine have declined by an average of 1.2% annually.

At current rates, 37.5% of the total price of a pack of cigarettes in Maine is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173318

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Maryland (State Excise Tax Rate is 13 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 13,500 jobs in the state. An additional 19,000 jobs are generated by consumer expenditures on tobacco products. Thus 32,500 jobs in the state are tobacco-related.

Over 979,000 people smoke in the state. They already pay \$152.2 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$68.2 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	4 mil packs	242
.05	10 mil packs	606
.10	20 mil packs	1212

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

At current rates, 26.6% of the total price of a pack of cigarettes in Maryland is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173319

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Massachusetts (State Excise Tax Rate is 26 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 14,100 jobs in the state. An additional 31,400 jobs are generated by consumer expenditures on tobacco products. Thus 45,500 jobs in the state are tobacco-related.

Over 1,330,000 people smoke in the state. They already pay \$276 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$170.9 million.

Massachusetts collects \$46 million in sales tax revenues from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.04	8.3 mil packs	576
.07	14.4 mil packs	1000
.10	20.6 mil packs	1431

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Massachusetts state cigarette taxes have increased 23.8%.

Since 1983, sales in Massachusetts have declined by an average of 1% annually.

At current rates, 35.4% of the total price of a pack of cigarettes in Massachusetts is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173320

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Michigan (State Excise Tax Rate is 25 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 15,600 jobs in the state. An additional 54,900 jobs are generated by consumer expenditures on tobacco products. Thus 70,500 jobs in the state are tobacco-related.

Over 1,977,000 people smoke in the state. They already pay \$415.1 million in extra state and federal taxes because they smoke. Of this amount, the state government gets \$252.5 million.

Michigan collects \$56.1 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.01	3.8 mil packs	239
.05	19.1 mil packs	1201
.06	22.9 mil packs	1440

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1982, sales in Michigan have declined by an average of 1.9% annually.

Since the Federal Excise Tax was doubled in 1983, Michigan cigarette taxes have increased 19%.

At current rates, 36.2% of the total price of a pack of cigarettes in Michigan is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Minnesota (State Excise Tax Rate is 38 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 9,400 jobs in the state. An additional 22,800 jobs are generated by consumer expenditures on tobacco products. Thus 32,200 jobs in the state are tobacco-related.

Over 911,000 people smoke in the state. They already pay \$218.2 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$153.6 million.

Minnesota collects \$36.4 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.04	5 mil packs	403
.05	6.3 mil packs	508
.15	18.9 mil packs	1524

* Increases arbitrarily selected for purposes of examples

PREVIOUS TRENDS

Since 1983, sales in Minnesota have declined by an average of 3% annually.

Since the federal cigarette tax was doubled in January 1983, Minnesota state cigarette taxes have increased 111%.

At current rates, 41.8% of the total price of a pack of cigarettes in Minnesota is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Mississippi (State Excise Tax Rate is 18 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 3,900 jobs in the state. An additional 14,400 jobs are generated by consumer expenditures on tobacco products. Thus 18,300 jobs in the state are tobacco-related.

Over 540,000 people smoke in the state. They already pay \$99.2 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$52.5 million.

Mississippi collects \$23.3 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	1.9 mil packs	117
.05	4.8 mil packs	296
.10	9.7 mil packs	599

* Increases arbitrarily selected for purposes of examples

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Mississippi state cigarette taxes have increased 63.6%.

At current rates, 32.2% of the total price of a pack of cigarettes in Mississippi is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Missouri (State Excise Tax Rate is 13 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 10,600 jobs in the state. An additional 25,300 jobs are generated by consumer expenditures on tobacco products. Thus 35,900 jobs in the state are tobacco-related.

Over 1,108,000 people smoke in the state. They already pay \$191.2 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$85.7 million.

Missouri collects \$33 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	4.6 mil packs	250
.05	11.4 mil packs	620
.10	22.8 mil packs	1240

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

At current rates, 28.4% of the total price of a pack of cigarettes in Missouri is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Montana (State Excise Tax Rate is 16 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 1,600 jobs in the state. An additional 3,300 jobs are generated by consumer expenditures on tobacco products. Thus 4,900 jobs in the state are tobacco-related.

Over 2,648,000 people smoke in the state. They already pay \$23.2 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$11.6 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.5 mil packs	34
.05	1.3 mil packs	88
.10	2.6 mil packs	176

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Montana have declined by an average of 4% annually.

Since the federal cigarette tax was doubled in January 1983, Montana state cigarette taxes have increased 33.3%.

At current rates, 27.8% of the total price of a pack of cigarettes in Montana is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Nebraska (State Excise Tax Rate is 27 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 3,600 jobs in the state. An additional 5,300 jobs are generated by consumer expenditures on tobacco products. Thus 8,900 jobs in the state are tobacco-related.

Over 349,000 people smoke in the state. They already pay \$64.6 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$40.5 million.

Nebraska collects \$9 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	1 mil packs	59
.03	1.5 mil packs	89
.05	2.5 mil packs	148

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1982, sales in Nebraska have declined by an average of 3.1% annually.

Since the federal cigarette tax was doubled in January 1983, Nebraska state cigarette taxes have increased 50%.

At current rates, 37.9% of the total price of a pack of cigarettes in Nebraska is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173326

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Nevada (State Excise Tax Rate is 20 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 2,000 jobs in the state. An additional 2,300 jobs are generated by consumer expenditures on tobacco products. Thus 4,300 jobs in the state are tobacco-related.

Over 203,000 people smoke in the state. They already pay \$52.5 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$28 million.

Nevada collects \$11.7 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	1.0 mil packs	29
.05	2.4 mil packs	71
.10	4.8 mil packs	142

* Increases selected arbitrarily for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Nevada state cigarette taxes have increased 100%.

At current rates, 32% of the total price of a pack of cigarettes in Nevada is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173327

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

New Hampshire (State Excise Tax Rate is 17 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 2,000 jobs in the state. An additional 6,600 jobs are generated by consumer expenditures on tobacco products. Thus 8,600 jobs in the state are tobacco-related.

Over 217,000 people smoke in the state. They already pay \$62.4 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$32 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.01	.7 mil packs	32
.02	1.4 mil packs	64
.05	3.5 mil packs	159

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in New Hampshire have declined by an average of 2.9% annually.

Since the federal cigarette tax was doubled in January 1983, New Hampshire state cigarette taxes have increased 41.6%.

At current rates, 29.1% of the total price of a pack of cigarettes in New Hampshire is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173328

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

New Jersey (State Excise Tax Rate is 27 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 18,400 jobs in the state. An additional 60,500 jobs are generated by consumer expenditures on tobacco products. Thus 78,900 jobs in the state are tobacco-related.

Over 1,699,000 people smoke in the state. They already pay \$358.2 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$225.4 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.01	2.7 mil packs	255
.05	13.3 mil packs	1243
.10	26.5 mil packs	2477

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1982, sales in New Jersey have declined by an average of 1.7% annually.

Since the federal cigarette tax was doubled in January 1983, New Jersey state cigarette taxes have increased 12.5%.

At current rates, 32.6% of the total price of a pack of cigarettes in New Jersey is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

New Mexico (State Excise Tax Rate is 15 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 2,300 jobs in the state. An additional 3,500 jobs are generated by consumer expenditures on tobacco products. Thus 5,800 jobs in the state are tobacco-related.

Over 296,000 people smoke in the state. They already pay \$36.7 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$17.8 million.

New Mexico collects \$7.1 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.03	1.2 mil packs	59
.05	2.0 mil packs	98
.10	4.0 mil packs	196

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, New Mexico state cigarette taxes have increased 25%.

At current rates, 30.9% of the total price of a pack of cigarettes in New Mexico is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173330

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

New York (State Excise Tax Rate is 33 cents per pack,
effective 5/1/89.)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 49,000 jobs in the state. An additional 195,300 jobs are generated by consumer expenditures on tobacco products. Thus 244,300 jobs in the state are tobacco-related.

Over 4,004,000 people smoke in the state. They already pay \$706 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$400 million.

New York collects \$95.4 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	12.3 mil packs	1577
.05	30.8 mil packs	3949
.10	61.6 mil packs	7897

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in New York have declined by an average of 2.7% annually.

Since the federal cigarette tax was doubled in January 1983, New York state cigarette taxes have increased 120%.*

At current rates, 37.8% of the total price of a pack of cigarettes in New York is tax.*

*reflects 12 cent increase effective 5/1/89

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

North Carolina (State Excise Tax Rate is 2 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 90,000 jobs in the state. An additional 167,100 jobs are generated by consumer expenditures on tobacco products. Thus 257,100 jobs in the state are tobacco-related.

Over 1,370,000 people smoke in the state. They already pay \$170.8 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$19 million.

North Carolina collects \$28.3 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	7.8 mil packs	2108
.05	19.4 mil packs	5243
.10	38.9 mil packs	10514

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in North Carolina have declined by an average of 1.4% annually.

At current rates, 21.2% of the total price of a pack of cigarettes in North Carolina is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173332

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

North Dakota (State Excise Tax Rate is 27 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 1,500 jobs in the state. An additional 1,500 jobs are generated by consumer expenditures on tobacco products. Thus 3,000 jobs in the state are tobacco-related.

Over 146,000 people smoke in the state. They already pay \$26.1 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$17 million.

North Dakota collects \$4.2 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.4 mil packs	20
.05	1 mil packs	49
.10	2 mil packs	99

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in North Dakota have declined by an average of 4.8% annually.

Since the federal cigarette tax was doubled in January 1983, North Dakota state cigarette taxes have increased 125%.

At current rates, 38.4% of the total price of a pack of cigarettes in North Dakota is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Ohio (State Excise Tax Rate is 18 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 21,800 jobs in the state. An additional 76,800 jobs are generated by consumer expenditures on tobacco products. Thus 98,600 jobs in the state are tobacco-related.

Over 2,362,000 people smoke in the state. They already pay \$450 million in extra state and federal taxes because they smoke. Of this amount, the state government gets about \$237 million.

Ohio collects \$79.6 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	9.7 mil packs	804
.04	24.3 mil packs	1813
.10	48.7 mil packs	3627

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Ohio have declined by an average of 1.1% annually.

Since the federal cigarette tax was doubled in January 1983, Ohio state cigarette taxes have increased 28.6%.

At the current rates, 35% of the total price of a pack of cigarettes in Ohio is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173334

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Oklahoma (State Excise Tax Rate is 23 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 6,200 jobs in the state. An additional 11,300 jobs are generated by consumer expenditures on tobacco products. Thus 17,500 jobs in the state are tobacco-related.

Over 713,000 people smoke in the state. They already pay \$135 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$79.7 million.

Oklahoma collects \$17.3 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.04	4.6 mil packs	232
.05	5.7 mil packs	288
.10	11.4 mil packs	576

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Oklahoma have declined by an average of 4.4% annually.

Since the federal cigarette tax was doubled in January 1983, Oklahoma state cigarette taxes have increases 27.8%.

At the current rates, 34.5% of the total price of a pack of cigarettes in Oklahoma is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173335

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Oregon (State Excise Tax Rate is 27 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 5,000 jobs in the state. An additional 16,900 jobs are generated by consumer expenditures on tobacco products. Thus 21,900 jobs in the state are tobacco-related.

Over 590,000 people smoke in the state. They already pay \$127.4 million in extra state and federal taxes because they smoke. Of this amount, the state government gets about \$80 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.01	1 mil packs	74
.02	1.9 mil packs	141
.05	4.8 mil packs	356

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Oregon have declined by an average of 2% annually.

Since the federal cigarette tax was doubled in January 1983, Oregon state cigarette taxes have increased 42%.

At current rates, 32.9% of the total price of a pack of cigarettes in Oregon is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1987.
Monthly State Cigarette Tax Report; Tobacco Institute, June, 1988.

April 1989

2026173336

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Pennsylvania (State Excise Tax Rate is 18 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 28,100 jobs in the state. An additional 60,900 jobs are generated by consumer expenditures on tobacco products. Thus 89,000 jobs in the state are tobacco-related.

Over 2,697,000 people smoke in the state. They already pay \$448.9 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$238 million.

Pennsylvania collects \$90.2 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.005	2.3 mil packs	155
.02	9 mil packs	608
.05	22.6 mil packs	1527

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Pennsylvania have declined by an average of 2.2% annually.

At current rates, 34.4% of the price of a pack of cigarettes in Pennsylvania is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173337

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Rhode Island (State Excise Tax Rate is 27 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 1,900 jobs in the state. An additional 5,300 jobs are generated by consumer expenditures on tobacco products. Thus 7,200 jobs in the state are tobacco-related.

Over 221,000 people smoke in the state. They already pay \$55.9 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$34 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.9 mil packs	48
.05	2.3 mil packs	122
.10	4.5 mil packs	238

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal excise tax was doubled in January 1983, Rhode Island state cigarette taxes have increased 8%.

At current rates, 35.4% of the total price of a pack of cigarettes in Rhode Island is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173338

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

South Carolina (State Excise Tax Rate is 7 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 11,600 jobs in the state. An additional 19,300 jobs are generated by consumer expenditures on tobacco products. Thus 30,900 jobs in the state are tobacco-related.

Over 713,000 people smoke in the state. They already pay \$98.9 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$30.1 million.

South Carolina collects \$25.8 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.01	1.7 mil packs	122
.02	3.4 mil packs	245
.05	16.8 mil packs	1209

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

At current rates, 27.4% of the total price of a pack of cigarettes in South Carolina is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173339

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

South Dakota (State Excise Tax Rate is 23 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 1,300 jobs in the state. An additional 1,600 jobs are generated by consumer expenditures on tobacco products. Thus 2,900 jobs in the state are tobacco-related.

Over 150,000 people smoke in the state. They already pay \$25.9 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$15.3 million.

South Dakota collects \$3.3 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.4 mil packs	17
.05	1.1 mil packs	48
.10	2.2 mil packs	96

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1981, sales in South Dakota have declined by an average of 2.4% annually.

Since the federal cigarette tax was doubled in January 1983, South Dakota state cigarette taxes have increased 53.3%.

At current rates, 33.9% of the total price of a pack of cigarettes in South Dakota is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173340

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Tennessee (State Excise Tax Rate is 13 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 18,400 jobs in the state. An additional 32,300 jobs are generated by consumer expenditures on tobacco products. Thus 50,700 jobs in the state are tobacco-related.

Over 1,041,000 people smoke in the state. They already pay \$180 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$80 million.

Tennessee collects \$55.2 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	4.5 mil packs	363
.05	11.3 mil packs	911
.10	22.7 mil packs	1831

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

At current rates, 31.4% of the total price of a pack of cigarettes in Tennessee is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173341

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Texas (State Excise Tax Rate is 26 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 33,200 jobs in the state. An additional 71,600 jobs are generated by consumer expenditures on tobacco products. Thus 104,800 jobs in the state are tobacco-related.

Over 3,382,000 people smoke in the state. They already pay \$684.6 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$399 million.

Texas collects \$130.4 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	11.0 mil packs	692
.05	27.4 mil packs	1723
.10	54.8 mil packs	3447

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Texas have declined by an average of 2.8% annually.

Since the federal cigarette tax was doubled in January 1983, Texas state cigarette taxes have increased 40.5%.

At current rates, 36.8% of the total price of a pack of cigarettes in Texas is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173342

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Utah State Excise Tax Rate is 23 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 2,700 jobs in the state. An additional 6,900 jobs are generated by consumer expenditures on tobacco products. Thus 8,600 jobs in the state are tobacco-related.

Over 308,000 people smoke in the state. They already pay \$36.7 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$21.7 million.

Utah collects \$6.6 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.7 mil packs	60
.05	1.7 mil packs	145
.10	3.5 mil packs	299

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1982, sales in Utah have declined by an average of 2% annually.

Since the federal cigarette tax was doubled in January 1983, Utah state cigarette taxes have increased 91.6%.

At current rates, 35.4% of the total price of a pack of cigarettes in Utah is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Vermont (State Excise Tax Rate is 17 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 900 jobs in the state. An additional 2,500 jobs are generated by consumer expenditures on tobacco products. Thus 3,400 jobs in the state are tobacco-related.

Over 117,000 people smoke in the state. They already pay \$23.7 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$12 million.

Vermont collects over \$3.5 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	.5 mil packs	24
.05	1.3 mil packs	62
.10	2.6 mil packs	123

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Vermont have declined by an average of 1.9% annually.

Since the federal cigarette tax was doubled in January 1983, Vermont state cigarette taxes have increased 41.6%.

At current rates, 29.5% of the total price of a pack of cigarettes in Vermont is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173344

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Virginia (State Excise Tax Rate is 2.5 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 54,400 jobs in the state. An additional 91,900 jobs are generated by consumer expenditures on tobacco products. Thus 146,300 jobs in the state are tobacco-related.

Over 1,262,000 people smoke in the state. They already pay \$142.6 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$19.3 million.

Virginia collects \$38.5 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	6.1 mil packs	1151
.05	15.2 mil packs	2868
.10	30.3 mil packs	5717

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

At current rates, 21.9% of the total price of a pack of cigarettes in Virginia is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173345

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Washington (State Excise Tax Rate is 31 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 7,900 jobs in the state. An additional 24,700 jobs are generated by consumer expenditures on tobacco products. Thus 32,600 jobs in the state are tobacco-related.

Over 957,000 people smoke in the state. They already pay \$188.6 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$124.4 million.

Washington collects over \$40 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	2.3 mil packs	187
.05	5.7 mil packs	463
.10	11.4 mil packs	927

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in Washington have declined by an average of 1.5% annually.

Since the federal cigarette tax was doubled in January 1983, Washington state cigarette taxes have increased 34.8%.

At current rates, 37.6% of the total price of a pack of cigarettes in Washington is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

West Virginia (State Excise Tax Rate is 17 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 3,600 jobs in the state. An additional 7,400 jobs are generated by consumer expenditures on tobacco products. Thus 11,000 jobs in the state are tobacco-related.

Over 426,000 people smoke in the state. They already pay \$69.7 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$35.9 million.

West Virginia collects \$16.9 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.02	1.4 mil packs	73
.05	3.5 mil packs	182
.10	7 mil packs	365

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since 1983, sales in West Virginia have declined by an average of 1.2% annually.

At current rates, 31.5% of the total price of a pack of cigarettes in West Virginia is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.
Monthly State Cigarette Tax Report; Tobacco Institute, June, 1988.

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Wisconsin (State Excise Tax Rate is 30 cents per pack)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 9,800 jobs in the state. An additional 31,200 jobs are generated by consumer expenditures on tobacco products. Thus 41,000 jobs in the state are tobacco-related.

Over 1,046,000 people smoke in the state. They already pay \$228.3 million in extra state and federal taxes because they smoke. Of this amount, the state government gets almost \$147.7 million.

Wisconsin collects \$34.7 million in sales tax revenue from cigarettes.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.01	1.6 mil packs	131
.02	3.2 mil packs	262
.05	8.1 mil packs	664

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in January 1983, Wisconsin state cigarette taxes have increased 20%.

At current rates, 39.1% of the total price of a pack of cigarettes in Wisconsin is tax.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF SELECT
INCREASES IN THE STATE EXCISE TAX ON CIGARETTES

Wyoming (State Excise Tax Rate is 12 cents per pack,
effective 7/1/89)

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

The tobacco industry, through core and supplier sectors, directly creates 1,000 jobs in the state. An additional 1,900 jobs are generated by consumer expenditures on tobacco products. Thus 2,900 jobs in the state are tobacco-related.

Over 105,000 people smoke in the state. They already pay \$13.4 million in extra state and federal taxes because they smoke. Of this amount, the state government gets over \$4.5 million.

THE IMPACT OF THE PROPOSED INCREASES*

<u>If SET</u> <u>increases by:</u>	<u>Sales</u> <u>decline by:</u>	<u>No. of</u> <u>jobs lost is:</u>
.05	1 mil packs	52
.10	2 mil packs	104
.12	2.4 mil packs	125

* Increases arbitrarily selected for purposes of examples only

PREVIOUS TRENDS

Since the federal cigarette tax was doubled in 1983, Wyoming state cigarette taxes have increased 50%.*

Since 1983, sales in Wyoming have declined by an average of 4.2% annually.

At the current rates, 24% of the total price of a pack of cigarettes in Wyoming is tax.*

*figure reflects a 4 cent increase that takes effect 7/1/89.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Alabama

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN ALABAMA

- 7,000 jobs through core and supplier sectors
- 23,400 jobs through consumer expenditures on tobacco products
- 30,400 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 16.5 cents per pack
- 864,000 smokers pay \$150.7 million extra state and federal taxes
 - The federal government gets \$74.2 million of this amount
 - The state government gets \$76.5 million
- Alabama collects \$23.2 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Alabama state cigarette taxes have increased 3.125%
- At current rates, 31.4% of the total price of a pack of cigarettes in Alabama is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,219 jobs could be lost in the state
 - 280 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 939 jobs could be lost due to expenditure-induced impact
- State would lose over \$3 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 2,433 jobs could be lost in the state
 - 559 jobs would be lost in the core and supplier sector
 - The man-hour equivalent of another 1874 jobs could be lost due to the expenditure-induced impact
- State would lose over \$6.1 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173351

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Alaska

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN ALASKA

- 900 jobs through core and supplier sectors
- 1,800 jobs through consumer expenditures on tobacco products
- 2,700 total tobacco related jobs

TAXES

- State Excise Tax Rate is 16 cents per pack
- 101,000 smokers pay \$18 million extra state and federal taxes
 - The federal government gets \$9 million of this amount
 - The state government also gets \$9 million
- Since the federal cigarette tax was doubled in January 1983, Alaska state cigarette taxes have increased 100%.
- At current rate, 25.5% of the total price of a pack of cigarettes in Alaska is tax.

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 108 jobs could be lost in the state
 - 36 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 72 jobs could be lost due to expenditure-induced impact
- State would lose over \$360,900 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 216 jobs could be lost in the state
 - 72 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 144 jobs could be lost due to expenditure-induced impact
- State would lose over \$721,900 in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173352

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Arizona

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN ARIZONA

- 5,200 jobs through core and supplier sectors
- 12,000 jobs through consumer expenditures
- 17,200 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 15 cents per pack
- 659,000 smokers pay \$109 million extra state and federal taxes
 - The federal government gets \$56.2 million of this amount
 - The state government gets \$52.8 million
- Arizona collects \$24.6 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Arizona state cigarette taxes have increased 15.4%
- At current rates, 31.5% of the total price of a pack of cigarettes in Arizona is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 688 jobs could be lost in the state
 - 208 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 480 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.1 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,376 jobs could be lost in the state
 - 416 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 960 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.3 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173353

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Arkansas

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN ARKANSAS

- 3,700 jobs through core and supplier sectors
- 9,700 jobs through consumer expenditures on tobacco products
- 13,400 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 21 cents per pack
- 509,000 smokers pay \$108.9 million extra state and federal taxes
 - The federal government gets \$47.1 million of this amount
 - The state government gets \$61.8 million
- Arkansas collects \$14.7 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Arkansas state cigarette taxes have increased 18.3%.
- At current rates, 33.6% of the total price of a pack of cigarettes in Arkansas is tax.

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 535 jobs could be lost in the state
 - 148 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 387 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.4 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,071 jobs could be lost in the state
 - 296 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 775 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.9 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173354

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

California

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN CALIFORNIA

- 49,700 jobs through core and supplier sectors
- 85,200 jobs through consumer expenditures on tobacco products
- 134,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 35 cents per pack, effective 1/1/89
- 5,668,000 smokers pay \$654 extra state and federal taxes
 - The federal government gets \$403 million of this amount
 - The state government gets \$251 million
- California collects \$201.3 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in 1983, California state cigarette taxes have increased 250%.*
- At current rates, 39.2% of the total price of a pack of cigarettes in California is tax.*

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 5,031 jobs could be lost in the state
 - 1,988 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 3,043 jobs could be lost due to expenditure-induced impact
- State would lose over \$35.4 million in excise tax revenue*

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 10,781 jobs could be lost in the state
 - 3,976 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 6,805 jobs could be lost due to expenditure-induced impact
- State would lose over \$70.9 million in excise tax revenue*

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

*reflects 25 cent state excise tax increase effective 1/1/89

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173355

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Colorado

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN COLORADO

- 6,900 jobs through core and supplier sectors
- 15,300 jobs through consumer expenditures on tobacco products
- 22,200 jobs total tobacco-related jobs

TAXES

- State Excise Tax Rate is 20 cents per pack
- 697,000 smokers pay \$113.9 million extra state and federal taxes
 - The federal government gets \$50.6 million of this amount
 - The state government gets \$63.3 million
- At current rates, 31% of the total price of a pack of cigarettes in Colorado is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 889 jobs could be lost in the state
 - 276 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 613 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.5 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,777 jobs could be lost in the state
 - 552 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,225 jobs could be lost due to expenditure-induced impact
- State would lose over \$5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173356

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Connecticut

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN CONNECTICUT

- 13,300 jobs through core and supplier sectors
- 16,800 jobs through consumer expenditures on tobacco products
- 30,100 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 40 cents per pack, effective 4/1/89
- 722,000 smokers pay \$142.7 million extra state and federal taxes
 - The federal government gets \$54.4 million of this amount
 - The state government gets \$88.3 million
- Connecticut collects \$37.4 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Connecticut state cigarette taxes have increased 90.4%.*
- At current rates, 43.3% of the total price of a pack of cigarettes in Connecticut is tax.*

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,206 jobs could be lost in the state
 - 533 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 673 jobs could be lost due to expenditure-induced impact
- State would lose over \$3.5 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 2,412 jobs could be lost in the state
 - 1,066 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,346 jobs could be lost due to expenditure-induced impact
- State would lose over \$7 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

*reflects 14 cent increase effective 4/1/89

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173357

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Delaware

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN DELAWARE

- 1,300 jobs through core and supplier sectors
- 4,700 jobs through consumer expenditures on tobacco products
- 6,000 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 14 cents per pack
- 137,000 smokers pay \$26.6 million extra state and federal taxes
 - The federal government gets \$14.1 million of this amount
 - The state government gets almost \$12.5 million
- At current rates, 25.1% of the total price of a pack of cigarettes in Delaware is tax

THE IMPACT OF AN INCREASE OF THE FEDERAL EXCISE TAX

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 240 jobs could be lost in the state
 - 52 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 188 jobs could be lost through expenditure-induced impact
- State would lose over \$493,000 in excise tax revenue

16 Cent Increase (from 16 to 32 cents)

- Total of 481 jobs could be lost in the state
 - 104 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 377 jobs could be lost due to expenditure-induced impact
- State would lose over \$986,000 in excise tax revenue

Note: Uses assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173358

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Washington, D.C.

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN WASHINGTON, D.C.

- 1,900 jobs through core and supplier sectors
- 2,200 jobs through consumer expenditures on tobacco products
- 4,100 total tobacco-related jobs

TAXES

- Excise Tax Rate in D.C. is 17 cents per pack
- 146,000 smokers pay \$21.7 million extra local and federal taxes
 - The federal government gets over \$10 million of this amount
 - The district government gets almost \$11 million
- Washington, D.C. collects \$5.3 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Washington, D.C. cigarette taxes have increased 30.7%
- At current rates, 32.3% of the total price of a pack of cigarettes in Washington, D.C. is tax

THE IMPACT OF AN INCREASE IN THE FEDERAL EXCISE TAX:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 164 jobs could be lost in D.C.
 - 76 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 88 jobs could be lost due to expenditure-induced impact
- Washington, D.C. would lose over \$446,700 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 328 jobs could be lost in D.C.
 - 152 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 176 jobs could be lost due to expenditure-induced impact
- Washington, D.C. would lose over \$893,500 in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173359

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Florida

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN FLORIDA

- 25,500 jobs through core and supplier sectors
- 67,100 jobs through consumer expenditures on tobacco products
- 92,600 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 24 cents per pack
- 2,540,000 smokers pay \$581 million extra state and federal taxes
 - The federal government gets \$230.8 million of this amount
 - The state government gets \$350.2 million
- Florida collects \$116.2 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Florida state cigarette taxes have increased 14.28%
- At current rates, 34.7% of the total price of a pack of cigarettes in Florida is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 3,700 jobs could be lost in the state
 - 1,019 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,681 jobs could be lost due to expenditure-induced impact
- State would lose over \$14 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 7,399 jobs could be lost in the state
 - 2,038 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 5,361 jobs could be lost due to expenditure-induced impact
- State would lose over \$28.1 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173360

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Georgia

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN GEORGIA

- 22,900 jobs through core and supplier sectors
- 35,700 jobs through consumer expenditures on tobacco products
- 58,600 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 12 cents per pack
- 1,262,000 smokers pay \$218.8 million extra state and federal taxes
 - The federal government gets over \$125 million of this amount
 - The state government gets over \$92 million
- Georgia collects \$31.3 million in sales tax revenue from cigarettes
- At current rates, 28.3% of the total price of a pack of cigarettes in Georgia is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 2,343 jobs could be lost in the state
 - 916 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,427 jobs could be lost due to expenditure-induced impact
- State would lose over \$3.7 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 4,687 jobs could be lost in the state
 - 1,833 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,854 jobs could be lost due to expenditure-induced impact
- State would lose over \$7.5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173361

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Hawaii

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN HAWAII

- 2,100 jobs through core and supplier sectors
- 2,200 jobs through consumer expenditures on tobacco products
- 4,300 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 40%
- 226,000 smokers pay \$30.9 million extra state and federal taxes
 - The federal government gets \$11.9 million of this amount
 - The state government gets over \$19 million
- Hawaii collects \$3.6 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Hawaii state cigarette taxes have increased 57%.
- At current rates, 40.8% of the total price of a pack of cigarettes in Hawaii is tax.

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 172 jobs could be lost in the state
 - 84 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 88 jobs could be lost due to expenditure-induced impact
- State would lose over \$847,000 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 344 jobs could be lost in the state
 - 168 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 176 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.6 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173362

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Idaho

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN IDAHO

- 1,700 jobs through core and supplier sectors
- 4,600 jobs through consumer expenditures on tobacco products
- 6,300 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 18 cents per pack
- 204,000 smokers pay \$29.7 million extra state and federal taxes
 - The federal government gets \$14 million of this amount
 - The state government gets \$15.8 million
- Idaho collects \$6.1 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Idaho state cigarette taxes have increased 97.8%
- At current rates, 31.8% of the total price of a pack of cigarettes in Idaho is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 252 jobs could be lost in the state
 - 68 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 184 jobs could be lost due to expenditure-induced impact
- State would lose over \$629,200 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 504 jobs could be lost in the state
 - 136 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 368 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.2 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173363

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Illinois

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN ILLINOIS

- 30,500 jobs through core and supplier sectors
- 75,800 jobs through consumer expenditures on tobacco products
- 106,300 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 20 cents per pack
- 2,526,000 smokers pay \$451.5 million extra state and federal taxes
 - The federal government gets \$200.7 million of this amount
 - The state government gets \$250.8 million
- Illinois collects \$100.3 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Illinois state cigarette taxes have increased 66.7%
- At current rates, 33.3% of the total price of a pack of cigarettes in Illinois is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 4,261 jobs could be lost in the state
 - 1,221 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 3,040 jobs could be lost due to expenditure-induced impact
- State would lose over \$10 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 8,522 jobs could be lost in the state
 - 2,441 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 6,081 jobs could be lost due to expenditure-induced impact
- State would lose over \$20 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173364

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Indiana

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN INDIANA

- 11,000 jobs through core and supplier sectors
- 33,200 jobs through consumer expenditures on tobacco products
- 44,200 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 15.5 cents per pack
- 1,196,000 smokers pay \$235 million extra state and federal taxes
 - The federal government gets \$19 million of this amount
 - The state government gets \$116 million
- Indiana collects \$44.8 million in sales tax revenue from cigarettes
- At current rates, 32.5% of the total price of a pack of cigarettes in Indiana is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,769 jobs could be lost in the state
 - 440 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,329 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.7 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 3,539 jobs could be lost in the state
 - 880 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,659 jobs could be lost due to expenditure-induced impact
- State would lose over \$9.4 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173365

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Iowa

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN IOWA

- 5,900 jobs through core and supplier sectors
- 15,700 jobs through consumer expenditures on tobacco products
- 21,600 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 34 cents per pack, effective 3/88
- 638,000 smokers pay \$127.6 million extra state and federal taxes
 - The federal government gets \$45.9 million of this amount
 - The state government gets \$81.7 million
- Iowa collects \$17.2 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Iowa state cigarette taxes have increased 88.9%
- At current rates, 43% of the total price of a pack of cigarettes in Iowa is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 864 jobs could be lost in the state
 - 236 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 628 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.2 million in excise tax revenues

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,739 jobs could be lost in the state
 - 472 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,257 jobs could be lost due to expenditure-induced impact
- State would lose over \$8.5 million in excise tax revenues

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

2026173366

April 1989

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE FEDERAL
EXCISE TAX ON CIGARETTES

Kansas

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN KANSAS

- 4,900 jobs through core and supplier sectors
- 14,100 jobs through consumer expenditures on tobacco products
- 19,000 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 24 cents per pack
- 536,000 smokers pay \$103 million extra state and federal taxes
 - The federal government gets \$41.2 million of this amount
 - The state government gets \$61.8 million
- Kansas collects \$12.9 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in 1983, Kansas state cigarette taxes have increased 118%
- At current rates, 34.8% of the total price of a pack of cigarettes in Kansas is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 759 jobs could be lost in the state
 - 196 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 563 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.4 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,518 jobs could be lost in the state
 - 392 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,126 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.9 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173367

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Kentucky

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN KENTUCKY

- 59,400 jobs through core and supplier sectors
- 74,100 jobs through consumer expenditures on tobacco products
- 133,500 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 3 cents per pack
- 808,000 smokers pay \$124 million extra state and federal taxes
 - The federal government gets \$104.4 million of this amount
 - The state government gets \$19.6 million
- Kentucky collects \$32.7 million in sales tax revenue from cigarettes
- At current rates, 24% of the total price of a pack of cigarettes in Kentucky is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 5,353 jobs could be lost in the state
 - 2,375 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,978 jobs could be lost due to expenditure-induced impact
- State would lose over \$783,600 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 10,685 jobs could be lost in the state
 - 4,749 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 5,936 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173368

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Louisiana

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN LOUISIANA

- 8,600 jobs through core and supplier sectors
- 8,600 jobs through consumer expenditures on tobacco products
- 15,100 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 16 cents per pack
- 932,000 smokers pay almost \$160 million extra state and federal taxes
 - The federal government gets \$79.8 million of this amount
 - The state government gets \$79.8 million
- Louisiana collects \$25.1 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, Louisiana state cigarette taxes have increased 45%.
- At current rates, 29.5% of the total price of a pack of cigarettes is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 949 jobs could be lost in the state
 - 344 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 605 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.1 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,897 jobs could be lost in the state
 - 688 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,209 jobs could be lost due to expenditure-induced impact
- State would lose over \$8.2 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173369

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Maine

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN MAINE

- 2,200 jobs through core and supplier sectors
- 5,100 jobs through consumer expenditures on tobacco products
- 7,300 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 28 cents per pack
- 255,000 smokers pay \$65.4 million extra state and federal taxes
 - The federal government gets \$ 23.8 million of this amount
 - The state government gets \$ 41.6 million
- Maine collects \$10.4 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Maine state cigarette taxes have increased 75%
- At current rates, 37.5% of the total price of a pack of cigarettes in Maine is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 292 jobs could be lost in the state
 - 88 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 204 jobs could be lost due to expenditure-induced impact
- State would lose over \$2 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 583 jobs could be lost in the state
 - 176 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 407 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.1 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173370

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Maryland

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN MARYLAND

- 13,500 jobs through core and supplier sectors
- 19,000 jobs through consumer expenditures on tobacco products
- 32,500 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 13 cents per pack
- 979,000 smokers pay \$152.2 million extra state and federal taxes
 - The federal government gets \$ 84 million of this amount
 - The state government gets \$ 68.2 million
- At current rates, 26.6% of the total price of a pack of cigarettes in Maryland is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,300 jobs could be lost in the state
 - 540 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 760 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.7 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 2,601 jobs could be lost in the state
 - 1,080 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,521 jobs could be lost due to expenditure-induced impact
- State would lose over \$5.5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173371

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Massachusetts

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN MASSACHUSETTS

- 14,100 jobs through core and supplier sectors
- 31,400 jobs through consumer expenditures on tobacco products
- 45,500 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 26 cents per pack
- 1,330,000 smokers pay \$276 million extra state and federal taxes
 - The federal government gets \$ 105.1 million of this amount
 - The state government gets \$170.9 million
- Massachusetts collects \$46 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in January 1983, Massachusetts state cigarette taxes have increased 23.8%
- At current rates, 35.4% of the total price of a pack of cigarettes in Massachusetts is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,822 jobs could be lost in the state
 - 564 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,258 jobs could be lost due to expenditure-induced impact
- State would lose over \$6.8 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 3,644 jobs could be lost in the state
 - 1,128 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,516 jobs could be lost due to expenditure-induced impact
- State would lose over \$13.6 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173372

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Michigan

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN MICHIGAN

- 15,600 jobs through core and supplier sectors
- 54,900 jobs through consumer expenditures on tobacco products
- 70,500 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 25 cents per pack, effective 1/88
- 1,977,000 smokers pay \$415.1 million extra state and federal taxes
 - The federal government gets \$162.6 million of this amount
 - The state government gets \$252.5 million
- Michigan collects \$56.1 million in sales tax revenue from cigarettes
- Since the Federal Excise Tax was doubled in 1983, Michigan cigarette taxes have increased 19%
- At current rates, 36.2% of the total price of a pack of cigarettes in Michigan is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 2,824 jobs could be lost in the state
 - 624 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,200 jobs could be lost due to expenditure-induced impact
- State would lose over \$11.2 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 5,648 jobs could be lost in the state
 - 1,248 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 4,400 jobs could be lost due to expenditure-induced impact
- State would lose over \$22.4 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173373

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Minnesota

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN MINNESOTA

- 9,400 jobs through core and supplier sectors
- 22,800 jobs through consumer expenditures on tobacco products
- 32,200 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 38 cents per pack
- 911,000 smokers pay 218.2 million extra state and federal taxes
 - The federal government gets \$64.6 million of this amount
 - The state government gets \$153.6 million
- Minnesota collects \$36.4 million in sales tax revenue from cigarettes
- Since the Federal Excise Tax was doubled in 1983, Minnesota state cigarette taxes have increased 111%
- At current rates, 41.8% of the total price of a pack of cigarettes in Minnesota is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,287 jobs could be lost in the state
 - 376 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 911 jobs could be lost due to expenditure-induced impact
- State would lose over \$6 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 2,575 jobs could be lost in the state
 - 752 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,823 jobs could be lost due to expenditure-induced impact
- State would lose over \$12.1 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173374

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Mississippi

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN MISSISSIPPI

- 3,900 jobs through core and supplier sectors
- 14,400 jobs through consumer expenditures on tobacco products
- 18,300 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 18 cents per pack
- 540,000 smokers pay \$99.2 million extra state and federal taxes
 - The federal government gets \$46.7 million of this amount
 - The state government gets \$52.5 million
- Mississippi collects \$23.3 million in sales tax revenue from cigarettes
- Since the federal excise tax was doubled in 1983, Mississippi state cigarette taxes have increased 63.6%
- At current rates, 32.2% of the total price of a pack of cigarettes in Mississippi is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 732 jobs could be lost in the state
 - 156 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 576 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.1 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,464 jobs could be lost in the state
 - 312 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,152 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.2 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173375

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Missouri

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN MISSOURI

- 10,600 jobs through core and supplier sectors
- 25,300 jobs through consumer expenditures on tobacco products
- 35,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 13 cents per pack
- 1,108,000 smokers pay \$191.2 million extra state and federal taxes
 - The federal government gets \$105.5 million of this amount
 - The state government gets \$85.7 million
- Missouri collects \$33 million in sales tax revenues from cigarettes
- At current rates, 28.4% of the total price of a pack of cigarettes in Missouri is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,434 jobs could be lost in the state
 - 424 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,010 jobs could be lost due to expenditure-induced impact
- State would lose over \$3.4 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 2,869 could be lost in the state
 - 848 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,021 jobs could be lost due to expenditure-induced impact
- State would lose over \$6.8 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173376

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Montana

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN MONTANA

- 1,600 jobs through core and supplier sectors
- 3,300 jobs through consumer expenditures on tobacco products
- 4,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 16 cents per pack
- 2,648,000 smokers pay \$23.2 million extra state and federal taxes
 - The federal government gets \$11.6 million of this amount
 - The state government gets \$11.6 million
- Since the federal excise tax increase in 1983, Montana state cigarette taxes have increased 33.3%
- At current rates, 27.8% of the total price of a pack of cigarettes in Montana is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 196 jobs could be lost in the state
 - 64 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 132 jobs could be lost due to expenditure-induced impact
- State would lose over \$464,000 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 392 jobs could be lost in the state
 - 128 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 264 jobs could be lost due to expenditure-induced impact
- State would lose over \$929,000 in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173377

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Nebraska

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN NEBRASKA

- 3,600 jobs through core and supplier sectors
- 5,300 jobs through consumer expenditures on tobacco products
- 8,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 27 cents per pack
- 349,000 smokers pay \$64.6 million extra state and federal taxes
 - The federal government gets \$24 million of this amount
 - The state government gets \$40.5 million
- Nebraska collects \$9 million in sales tax revenues from cigarettes
- Since the federal excise tax was doubled in 1983, Nebraska state cigarette taxes have increased 50%
- At current rates, 37.9% of the total price of a pack of cigarettes in Nebraska is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 356 jobs could be lost in the state
 - 144 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 212 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.6 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 711 jobs could be lost in the state
 - 288 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 423 jobs could be lost due to expenditure-induced impact
- State would lose over \$3.2 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173378

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Nevada

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN NEVADA

- 2,000 jobs through core and supplier sectors
- 2,300 jobs through consumer expenditures on tobacco products
- 4,300 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 20 cents per pack
- 203,000 smokers pay \$52.5 million extra state and federal taxes
 - The federal government gets \$23.5 million of this amount
 - The state government gets over \$28 million
- Nevada collects \$11.7 million in sales tax revenues from cigarettes
- Since the federal excise tax was doubled in 1983, Nevada state cigarette taxes have increased 100%
- At current rates, 32% of the total price of a pack of cigarettes in Nevada is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 172 jobs could be lost in the state
 - 80 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 92 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.1 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 344 jobs could be lost in the state
 - 160 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 184 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.3 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173379

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

New Hampshire

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN NEW HAMPSHIRE

- 2,000 jobs through core and supplier sectors
- 6,600 jobs through consumer expenditures on tobacco products
- 8,600 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 17 cents per pack
- 217,000 smokers pay 62.4 million extra state and federal taxes
 - The federal government gets \$30.4 million of this amount
 - The state government gets \$32 million
- Since the federal excise tax was doubled in 1983, New Hampshire state cigarette taxes have increased 41.6%
- At current rates, 29.1% of the total price of a pack of cigarettes in New Hampshire is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 344 jobs could be lost in the state
 - 80 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 264 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.2 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 687 jobs could be lost in the state
 - 160 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 527 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173380

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

New Jersey

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN NEW JERSEY

- 18,400 jobs through core and supplier sectors
- 60,500 jobs through consumer expenditures on tobacco products
- 78,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 27 cents per pack
- 1,699,000 smokers pay \$358.2 million extra state and federal taxes
 - The federal government gets \$132.8 million of this amount
 - The state government gets \$225.4 million
- Since the federal excise tax was doubled in 1983, New Jersey state cigarette taxes have increased 12.5%
- At current rates, 32.6% of the total price of a pack of cigarettes in New Jersey is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 3,153 jobs could be lost in the state
 - 735 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,418 jobs could be lost due to expenditure-induced impact
- State would lose over \$9 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 6,307 jobs could be lost in the state
 - 1,471 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 4,836 jobs could be lost due to expenditure-induced impact
- State would lose over \$18.1 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173381

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

New Mexico

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN NEW MEXICO

- 2,300 jobs through core and supplier sectors
- 3,500 jobs through consumer expenditures on tobacco products
- 5,800 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 15 cents per pack
- 296,000 smokers pay 36.7 million extra state and federal taxes
 - The federal government gets \$18.9 million of this amount
 - The state government gets \$17.8 million
- New Mexico collects \$7.1 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, New Mexico state cigarette taxes have increased 25%
- At current rates, 30.9% of the total price of a pack of cigarettes in New Mexico is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 232 jobs could be lost in the state
 - 92 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 140 jobs could be lost due to expenditure-induced impact
- State would lose over \$711,000 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 464 jobs could be lost in the state
 - 184 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 280 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.4 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173382

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

New York

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN NEW YORK

- 49,000 jobs through core and supplier sectors
- 195,300 jobs through consumer expenditures on tobacco products
- 244,300 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 33 cents per pack, effective 5/1/89
- 4,004,000 smokers pay \$706 million extra state and federal taxes
 - The federal government gets \$305.3 million of this amount
 - The state government gets \$400.7 million
- New York collects \$95.4 million in sales tax revenues from cigarettes
- Since the federal cigarette tax doubled in 1983, New York state cigarette taxes have increased 120%*
- At current rates, 37.8% of the total price of a pack of cigarettes in New York is tax*

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 9,751 jobs could be lost in the state
 - 1,962 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 7,789 jobs could be lost due to expenditure-induced impact
- State would lose over \$16 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 19,503 jobs could be lost in the state
 - 3,925 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 15,578 jobs could be lost due to expenditure-induced impact
- State would lose over \$32.1 million in excise tax revenue

*reflects 12 cent increase effective 5/1/89

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173383

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

North Carolina

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN NORTH CAROLINA

- 90,000 jobs through core and supplier sectors
- 167,100 jobs through consumer expenditures on tobacco products
- 257,100 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 2 cents per pack
- 1,370,000 smokers pay \$170.8 million extra state and federal taxes
 - The federal government gets \$151.8 million of this amount
 - The state government gets \$19 million
- North Carolina collects \$28.3 million in sales tax revenues from cigarettes
- At current rates, 21.2% of the total price of a pack of cigarettes in North Carolina is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 10,272 jobs could be lost in the state
 - 3,614 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 6,658 jobs could be lost due to expenditure-induced impact
- State would lose over \$758,800 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 20,543 jobs could be lost in the state
 - 7,228 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 13,315 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173384

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

North Dakota

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN NORTH DAKOTA

- 1,500 jobs through core and supplier sectors
- 1,500 jobs through consumer expenditures on tobacco products
- 3,000 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 27 cents per pack
- 146,000 smokers pay over \$26 million extra state and federal taxes
 - The federal government gets \$9.7 million of this amount
 - The state government gets \$17 million
- North Dakota collects \$4.2 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, North Dakota state cigarette taxes have increased 125%
- At current rates, 38.4% of the total price of a pack of cigarettes in North Dakota is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 120 jobs could be lost in the state
 - 60 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 60 jobs could be lost due to expenditure-induced impact
- State would lose over \$656,600 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 240 jobs could be lost in the state
 - 120 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 120 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.3 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173385

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Ohio

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN OHIO

- 21,800 jobs through core and supplier sectors
- 76,800 jobs through consumer expenditures on tobacco products
- 98,600 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 18 cents per pack
- 2,362,000 smokers pay \$450 million extra state and federal taxes
 - The federal government gets over \$212 million of this amount
 - The state government gets about \$237 million
- Ohio collects \$79.6 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, Ohio state cigarette taxes have increased 28.6%
- At current rates, 35% of the total price of a pack of cigarettes in Ohio is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 3,938 jobs could be lost in the state
 - 872 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 3,066 jobs could be lost due to expenditure-induced impact
- State would lose over \$9.5 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 7,877 jobs could be lost in the state
 - 1,745 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 6,132 jobs could be lost due to expenditure-induced impact
- State would lose over \$19 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173386

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Oklahoma

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN OKLAHOMA

- 6,200 jobs through core and supplier sectors
- 11,300 jobs through consumer expenditures on tobacco products
- 17,500 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 23 cents per pack
- 713,000 smokers pay \$135 million extra state and federal taxes
 - The federal government gets \$55.3 million of this amount
 - The state government gets \$79.7 million
- Oklahoma collects \$17.3 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, Oklahoma state cigarette taxes have increased 27.8%
- At current rates, 34.5% of the total price of a pack of cigarettes in Oklahoma is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 699 jobs could be lost in the state
 - 248 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 451 jobs could be lost due to expenditure-induced impact
- State would lose over \$3.1 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,399 jobs could be lost in the state
 - 496 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 903 jobs could be lost due to expenditure-induced impact
- State would lose over \$6.3 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173387

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Oregon

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN OREGON

- 5,000 jobs through core and supplier sectors
- 16,900 jobs through consumer expenditures on tobacco products
- 21,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 27 cents per pack
- 590,000 smokers pay \$127.4 million extra state and federal taxes
 - The federal government gets \$47.4 million of this amount
 - The state government gets \$80 million
- Since the federal cigarette tax was doubled in 1983, Oregon state cigarette taxes have increased 42%
- At current rates, 32.9% of the total price of a pack of cigarettes in Oregon is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 877 jobs could be lost in the state
 - 200 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 677 jobs could be lost due to expenditure-induced impact
- State would lose over \$3.2 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 1,755 jobs could be lost in the state
 - 400 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,355 jobs could be lost due to expenditure-induced impact
- State would lose over \$6.4 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173388

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Pennsylvania

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN PENNSYLVANIA

- 28,100 jobs through core and supplier sectors
- 60,900 jobs through consumer expenditures on tobacco products
- 89,000 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 18 cents per pack
- 2,697,000 smokers pay 448.9 million extra state and federal taxes
 - The federal government gets \$211.2 million of this amount
 - The state government gets \$237.7 million
- Pennsylvania collects \$90.2 million in sales tax revenues from cigarettes
- At current rates, 34.4% of the total price of a pack of cigarettes in Pennsylvania is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 3,558 jobs could be lost in the state
 - 1,124 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,434 jobs could be lost due to expenditure-induced impact
- State would lose over \$9.5 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 7,114 jobs could be lost in the state
 - 2,247 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 4,867 jobs could be lost due to expenditure-induced impact
- State would lose over \$19 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173389

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Rhode Island

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN RHODE ISLAND

- 1,900 jobs through core and supplier sectors
- 5,300 jobs through consumer expenditures on tobacco products
- 7,200 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 27 cents per pack, effective 7/88
- 221,000 smokers pay \$55.9 million extra state and federal taxes
 - The federal government gets \$21.9 million of this amount
 - The state government gets \$34 million
- Since the federal cigarette tax was doubled in 1983, Rhode Island state cigarette taxes have increased 8%
- At current rates, 35.4% of the total price of a pack of cigarettes in Rhode Island is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 288 jobs could be lost in the state
 - 76 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 212 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.3 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 576 jobs could be lost in the state
 - 152 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 424 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.7 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173390

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

South Carolina

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN SOUTH CAROLINA

- 11,600 jobs through core and supplier sectors
- 19,300 jobs through consumer expenditures on tobacco products
- 30,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 7 cents per pack
- 713,000 smokers pay \$98.9 million extra state and federal taxes
 - The federal government gets \$68.6 million of this amount
 - The state government gets \$30.1 million
- South Carolina collects \$25.8 million in sales tax revenues from cigarettes
- At current rates, 27.4% of the total price of a pack of cigarettes in South Carolina is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,236 jobs could be lost in the state
 - 464 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 772 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.2 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 2,471 jobs could be lost in the state
 - 928 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,543 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.4 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173391

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

South Dakota

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN SOUTH DAKOTA

- 1,300 jobs through core and supplier sectors
- 1,600 jobs through consumer expenditures on tobacco products
- 2,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 23 cents per pack
- 150,000 smokers pay \$26 million extra state and federal taxes
 - The federal government gets \$10.7 million of this amount
 - The state government gets \$15.3 million
- South Dakota collects \$3.3 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, South Dakota state cigarette taxes have increased 53.3%
- At current rates, 33.9% of the total price of a pack of cigarettes in South Dakota is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 116 jobs could be lost in the state
 - 52 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 64 jobs could be lost due to expenditure-induced impact
- State would lose over \$609,000 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 232 jobs could be lost in the state
 - 104 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 128 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.2 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Tennessee

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN TENNESSEE:

- 18,400 jobs through core and supplier sectors
- 32,300 jobs through consumer expenditures on tobacco products
- 50,700 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 13 cents per pack
- 1,041,000 smokers pay \$180 million extra state and federal taxes
 - The federal government gets \$100 million of this amount
 - The state government gets \$80 million
- Tennessee collects \$55.2 million in sales tax revenues from cigarettes
- At current rates, 31.4% of the total price of a pack of cigarettes in Tennessee is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 2,028 jobs could be lost in the state
 - 735 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,293 jobs could be lost due to expenditure-induced impact
- State would lose over \$3.2 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 4,056 jobs could be lost in the state
 - 1,471 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,585 jobs could be lost due to expenditure-induced impact
- State would lose over \$6.5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Texas

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN TEXAS

- 33,200 jobs through core and supplier sectors
- 71,600 jobs through consumer expenditures on tobacco products
- 104,800 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 26 cents per pack
- 3,382,000 smokers pay \$684.6 million extra state and federal taxes
 - The federal government gets \$285.6 million of this amount
 - The state government gets \$399 million
- Texas collects \$130.4 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, Texas state cigarette taxes have increased 40.5%
- At current rates, 36.8% of the total price of a pack of cigarettes in Texas is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 5,431 jobs could be lost in the state
 - 1,327 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 4,104 jobs could be lost due to expenditure-induced impact
- State would lose over \$17.2 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 10,861 jobs could be lost in the state
 - 2,654 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 8,207 jobs could be lost due to expenditure-induced impact
- State would lose over \$34.5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173394

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Utah

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN UTAH

- 2,700 jobs through core and supplier sectors
- 6,900 jobs through consumer expenditures on tobacco products
- 8,600 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 23 cents per pack
- 308,000 smokers pay 36.7 million extra state and federal taxes
 - The federal government gets \$15 million of this amount
 - The state government gets \$21.7 million
- Utah collects \$6.6 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, Utah state cigarette taxes have increased 91.6%
- At current rates, 35.4% of the total price of a pack of cigarettes in Utah is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 385 jobs could be lost in the state
 - 108 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 277 jobs could be lost due to expenditure-induced impact
- State would lose over \$922,700 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 769 jobs could be lost in the state
 - 216 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 553 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.8 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Vermont

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN VERMONT

- 900 jobs through core and supplier sectors
- 2,500 jobs through consumer expenditures on tobacco products
- 3,400 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 17 cents per pack
- 117,000 smokers pay \$23.7 million extra state and federal taxes
 - The federal government gets \$11.5 million of this amount
 - The state government gets \$12.2 million
- Vermont collects \$3.5 million in sales tax revenue from cigarettes
- Since the federal cigarette tax was doubled in 1983, Vermont state cigarette taxes have increased 41.6%
- At current rates, 29.5% of the total price of a pack of cigarettes in Vermont is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 136 jobs could be lost in the state
 - 36 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 100 jobs could be lost due to expenditure-induced impact
- State would lose over \$488,200 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 272 jobs could be lost in the state
 - 72 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 200 jobs could be lost due to expenditure-induced impact
- State would lose over \$976,400 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173396

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Virginia

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN VIRGINIA

- 54,400 jobs through core and supplier sectors
- 91,900 jobs through consumer expenditures on tobacco products
- 146,300 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 2.5 cents per pack
- 1,262,000 smokers pay \$142.6 million extra state and federal taxes
 - The federal government gets \$123.3 million of this amount
 - The state government gets \$19.3 million
- Virginia collects \$38.5 million in sales tax revenues from cigarettes
- At current rates, 21.9% of the total price of a pack of cigarettes in Virginia is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 5,836 jobs could be lost in the state
 - 2,169 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 3,667 jobs could be lost due to expenditure-induced impact
- State would lose over \$770,100 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 11,673 jobs could be lost in the state
 - 4,339 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 7,334 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.5 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

2026173397

EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Washington

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN WASHINGTON

- 7,900 jobs through core and supplier sectors
- 24,700 jobs through consumer expenditures on tobacco products
- 32,600 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 31 cents per pack
- 957,000 smokers pay \$188.6 million extra state and federal taxes
 - The federal government gets \$64.2 million of this amount
 - The state government gets \$124.4 million
- Washington collects over \$40 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, Washington state cigarette taxes have increased 34.8%
- At current rates, 37.6% of the total price of a pack of cigarettes in Washington is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,307 jobs could be lost in the state
 - 316 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 991 jobs could be lost due to expenditure-induced impact
- State would lose over \$4.9 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 2,614 jobs could be lost in the state
 - 632 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,982 jobs could be lost due to expenditure-induced impact
- State would lose over \$9.9 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

West Virginia

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN WEST VIRGINIA

- 3,600 jobs through core and supplier sectors
- 7,400 jobs through consumer expenditures on tobacco products
- 11,000 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 17 cents per pack
- 426,000 smokers pay \$69.7 million extra state and federal taxes
 - The federal government gets \$33.8 million of this amount
 - The state government gets \$35.9 million
- West Virginia collects \$16.9 million in sales tax revenues from cigarettes
- At current rates, 31.5% of the total price of a pack of cigarettes in West Virginia is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 439 jobs could be lost in the state
 - 144 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 295 jobs could be lost due to expenditure-induced impact
- State would lose over \$1.4 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 879 jobs could be lost in the state
 - 288 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 591 jobs could be lost due to expenditure-induced impact
- State would lose over \$2.8 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Wisconsin

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN WISCONSIN

- 9,800 jobs through core and supplier sectors
- 31,200 jobs through consumer expenditures on tobacco products
- 41,000 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 30 cents per pack
- 1,046,000 smokers pay \$228.3 million extra state and federal taxes
 - The federal government gets \$80.6 million of this amount
 - The state government gets \$147.7 million
- Wisconsin collects \$34.7 million in sales tax revenues from cigarettes
- Since the federal cigarette tax was doubled in 1983, Wisconsin state cigarette taxes have increased 20%
- At current rates, 39.1% of the total price of a pack of cigarettes in Wisconsin is tax

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 1,639 jobs could be lost in the state
 - 392 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 1,247 jobs could be lost due to expenditure-induced impact
- State would lose over \$5.9 million in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 3,279 jobs could be lost in the state
 - 784 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 2,495 jobs could be lost due to expenditure-induced impact
- State would lose over \$11.9 million in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

April 1989

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EMPLOYMENT AND REVENUE EFFECTS OF AN INCREASE IN THE
FEDERAL EXCISE TAX ON CIGARETTES

Wyoming

CURRENT IMPACT OF TOBACCO ON THE ECONOMY:

TOBACCO-RELATED EMPLOYMENT IN WYOMING

- 1,000 jobs through core and supplier sectors
- 1,900 jobs through consumer expenditures on tobacco products
- 2,900 total tobacco-related jobs

TAXES

- State Excise Tax Rate is 12 cents per pack, effective 7/1/89
- 105,000 smokers pay \$13.4 million extra state and federal taxes
 - The federal government gets \$8.9 million of this amount
 - The state government gets \$4.5 million
- Since the federal cigarette tax was doubled in 1983, Wyoming state cigarette taxes have increased 50%*
- At current rates, 24% of the total price of a pack of cigarettes in Wyoming is tax*

THE IMPACT OF A FEDERAL EXCISE TAX INCREASE:

8 Cent Increase (from 16 to 24 cents per pack)

- Total of 116 jobs could be lost in the state
 - 40 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 76 jobs could be lost due to expenditure-induced impact
- State would lose over \$178,000 in excise tax revenue

16 Cent Increase (from 16 to 32 cents per pack)

- Total of 232 jobs could be lost in the state
 - 80 jobs would be in jeopardy in the core and supplier sector
 - The man-hour equivalent of another 152 jobs could be lost due to expenditure-induced impact
- State would lose over \$357,000 in excise tax revenue

Note: Uses 1987 assumption of U.S. House of Representatives Budget Committee that a \$1.60 per carton tax increase would reduce cigarette sales by 8%.

lects 4 cent increase effective 7/1/89

Sources: The Impact of the Tobacco Industry on the United States Economy; Chase Econometrics, 1985.
The Tax Burden on Tobacco; Tobacco Institute, 1988.

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